

JPRS-LAM-84-107

27 September 1984

Latin America Report

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

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27 September 1984

LATIN AMERICA REPORT

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INTER-AMERICAN AFFAIRS

ICAP SPONSORS CUBAN CULTURAL EVENT IN SAO PAULO

Havana GRANMA WEEKLY REVIEW in English 12 Aug 84 p 7

[Article by Mariela Betancourt]

[Text] THE EXECUTIVE secretary of Sao Paulo's Jose Marti Cultural Association, Itoby Alves Correa, announced the holding in that city of a Cuban culture program from September 20 to October 10, 1984.

In Cuba making the final arrangements, Alves Correa said the event will pave the way for a reencounter of the Cuban and Brazilian peoples after 20 years of involuntary isolation.

Jointly sponsored by the Association and the Cuban Institute of Friendship with the Peoples (ICAP), with the cooperation of the Ministry of Culture and other Cuban agencies, the event will be held in the Cultural Center of Sao Paulo, whose 12 000 square-meter surface area features exhibit and conference rooms, theater and movie house, Alves Correa added.

He went on to say that the event will be in tribute to two Cuban cultural institutions, Casa de las Americas and the Cuban Film Institute, which have decisively contributed to bringing Latin American and Caribbean peoples closer together.

As he explained it, the event includes a photo exhibit by well-known artists, a sales exhibit of books, a silkscreen exhibit and a Cuban film poster exhibit.

According to Alves Correa, "the event has the support of Cuban cultural institutions and is no easy endeavor considering the fact there are no diplomatic relations between the two countries and the distance between our two countries for materials to reach Sao Paulo."

Asked about the reception the event would get, Alves Correa said that there was great interest in Brazil for contact with Cuba, its culture and people.

One example of this was the arm welcome given in Sao Paulo to prima ballerina Alicia Alonso and the National Ballet of Cuba, and singer Pablo Milanes.

Alves Correa referred to the work of the Jose Marti Cultural Association, since its founding by friends of Cuba in 1982, shortly after the Havana Meeting of

Intellectuals under the auspices of Casa de las Americas and the return to Brazil of a group of exiles under the amnesty decreed by the Brazilian government.

After two years of work, he observed, the Association will have a branch organization in Porto Alegre (Rio Grande do Sul); others are being formed in Campo Grande (Matto Grosso) and Salvador (Bahia); and there's a possibility of a Rio de Janeiro organization.

We are doing our best to help resume cultural, diplomatic and trade relations between Cuba and Brazil. I believe this is a historical imperative, Alves Correa concluded.

CSO: 3200/54

INTER-AMERICAN AFFAIRS

INTEREST IN CUBAN BOOKS NOTED AT SAO PAULO BOOK FAIR

Havana GRANMA WEEKLY REVIEW in English 2 Sep 84 p 4

[Article by Jorge Timossi]

[Text] SAO PAULO, Brazil (PL).--The interest aroused by Cuba's participation in the 8th Biennial Book Fair of Sao Paulo was evident from the crowds around the Cuban stand.

The Cuban delegation to the book fair was headed by writer Roberto Fernandez Retamar, vice-president of the Casa de las Americas.

The interest in Cuba stemmed in no small measure from the fact that this was the first time that Cuba took part in the book fair and also that for the last 20 years the Brazilian public has had no opportunity to become acquainted with Cuban publications.

The restrictions imposed on Cuban books over that time were still in evidence when the second shipment was held for six hours by customs officials in keeping with provisions banning Cuban imports.

The problem was settled through the efforts of book fair officials and Deputy Fernando Moraes and the support given by the press, which hastened to the airport to report on the incident.

The Sao Paulo press gave wide coverage to Cuban participation in the book fair and interviewed the Cuban delegation. The influential O Estado de Sao Paulo ran an article entitled "Cuba and Cultural Exchange," commenting that the invitation extended by Brazil had a connection with the possible reestablishment of cultural relations between the two countries.

Fernandez Retamar was interviewed by four TV stations. In the interview for Globo TV, he said that Cuba's presence in the biennial book fair represented one more step towards the rapprochement between the two countries.

He added how important this was given the inevitable reestablishment of relations between Brazil and Cuba, "two countries united by history, origin and hope."

He drew attention to the Cuban people's marked interest in Brazilian culture, saying that there was a growing demand for Brazilian music and literature and that three Brazilian serials were being shown on Cuban TV.

The Cuban publishing houses Letras Cubanas, Casa de las Americas, Union, Cientifico-Tecnica, Gente Nueva (for children), Ciencias Sociales and Arte y Literatura were widely represented on the Cuban stand.

From contacts and conversations the Cuban delegation was able to confirm that Brazil's main publishing houses will be at the 2nd International Book Fair of Havana, scheduled to open on September 14.

CSO: 3200/57

JAMAICA, TRINIDAD PRIVATE SECTORS TRY TO BOOST AREA TRADE

Port-of-Spain TRINIDAD GUARDIAN in English 27 Aug 84 p 4

[Text]

THE private sector and other interested parties in Jamaica and Trinidad and Tobago are actively working towards implementing the decisions to resuscitate regional trade made by Caribbean Community leaders at last July's Nassau Summit.

This position has been outlined by Jamaica's Foreign Minister Hugh Shearer and Trinidad and Tobago's new High Commissioner to Jamaica, Knowlson Gift.

Shearer also spoke of what he saw as the urgent need for the region to execute a programme of structural adjustment of the several

economies.

He emphasised the necessity for productivity in the Caribbean to grow to meet competition in the international market.

Meanwhile Jamaica has signed three contracts worth (US)\$3.54 million for Northern Telecom International Limited of Canada to provide its telephone company with new digital equipment.

The installation of northern telecom's new digital communications equipment and services is part of the telephone company's five-year capital development programme.

CSO: 3298/1083

DOMINICA PREPARED TO BUY ALL ITS STEEL FROM TRINIDAD

Port-of-Spain EXPRESS in English 22 Aug 84 p 41

[Text]

DOMINICA is prepared to buy all the steel it needs from suppliers in Trinidad and Tobago provided they can be assured the quality is of a high standard.

So claims Eucief Nixon, owner of Petit Caribe Ltd., Broadway, Arima, who is Dominican but has been resident here for the past 14 years.

Nixon said this assurance was given to him by Eugenia Charles, Prime Minister of Dominica, two months ago when he visited her in that country.

The businessman added that Charles used to be his lawyer several years ago and, "if she tells you she is going to do something, she will do it," he said.

Dominica, like other Caricom countries, is committed to importing a quota of the steel products that it needs from this country but Nixon said Charles was willing to buy all of Dominica's steel requirements from suppliers here if the quality were satisfactory.

"Miss Charles told me to do what I can to get local suppliers to export goods to her country as the Government here can only advise and not dictate to manufacturers where to market their goods," said Nixon.

However, when the Arima businessman approached several local steel suppliers, the majority were not enthusiastic about the Dominican market, he said.

But of the few, who were, Nixon has comprised an unofficial trade mission which he is taking to Dominica this month to examine the market there.

"I have found Dansteel in particular very professional in their dealings," said the businessman.

According to Nixon, local merchants have neglected the Dominican market since 1975 as they considered trading not beneficial in terms of the currency exchange.

He has been retailing carpets throughout the islands and has his main markets in Dominica, St.

Lucia and Jamaica.

Following his discussions with Prime Minister Charles and Dominica's Minister of Trade, Charles Savarin, Nixon has expanded his product range to Dominica to include exports of flour, biscuits, cornmeal and steel and intends to widen it further with commodities like vegetable oil and laundry and toilet soaps when the local production situation changes.

Last week, Nixon made a trial shipment of eight tonnes of steel to the Caricom member state and also exported in the same week, 2,000 bags of flour from National Flour Mills Ltd., 400 pounds of cornmeal from High Quality Feeds and 450 cartons of biscuits from Coelho's Bakeries Ltd.

"The Dominican market consumes 10,000 bags of flour per month and I intend to supply it with 5,000 bags per month," said the Arima businessman.

According to Nixon, Dominica was eager to improve its trade with this country but local manufacturers were correspondingly not aggressive enough in their approach to an export thrust.

BRIEFS

DOMINICA-TRINIDAD TRADE--ROSEAU, Thurs., (Cana) DOMINICA'S Prime Minister Eugenia Charles wants Trinidadian businessmen to make full use of the local market and she has urged them to appoint agents here to look after their interests. Miss Charles was commenting in an interview on Dominica-Trinidad and Tobago trade relations which, she indicated, have improved since July's crucial Summit of Caribbean Community (Caricom) leaders. "What we want to encourage Trinidad to do is to come and appoint agents to look after their business here because, in fact, they really neglected our market themselves. They haven't tried to sell us very much in the past," Miss Charles said. Following the summit, Dominica now buys flour and steel from Trinidad and Tobago, which, in turn, purchases local soaps, and fruit. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 31 Aug 84 p 1]

CSO: 3298/1083

EXECUTIVE BRANCH ACCUSED OF DELAYING MUNICIPAL ELECTIONS

Santa Cruz EL MUNDO in Spanish 21 Aug 84 p 1

[Text] La Paz, 20 Aug--The National Electoral Court sent the Senate of the Republic a tentative timetable today for the organization of municipal elections to be held on the first Sunday in December. It also sent a bill for a law regulating those elections.

Both bills were presented at a previously arranged meeting with the president of the Senate. The members of the de facto Electoral Court gave some explanations, as did the Senate president.

Member Walter Rios Gamboa maintained that, in spite of a number of difficulties and lack of time, it is still possible to make a technical and administrative effort to organize municipal elections for December if the executive and legislative branches immediately fulfill certain legal requirements.

Timetable

Rios Gamboa, former chief clerk of the Chamber of Deputies (1966-69), member of the National Electoral Court (1979), former ambassador to Italy and author of a book about the 1979 general elections, could not explain to the reporters why the de facto Electoral Court sent the tentative timetable for municipal elections and the bill for the law regulating the municipal elections to the head of the Senate and not the president of the National Congress as it should.

He said that if three basic legal instruments are not passed and promulgated in the two work weeks left in August, it will be difficult to organize municipal elections for the first Sunday in December.

Starting in September and until the beginning of December, there would only be 3 months to organize and prepare a preelectoral system.

According to Rios Gamboa, the preelectoral timetable is already in progress since the middle of this month when the request for political parties interested in the municipal elections to register at the Electoral Court was published in the press.

There would have to be minimal electoral materials available by Friday, 31 August, but as of today there was no budget.

Electoral Districts

The president of the Senate, Julio Garret Ayllon, reported that if the municipal elections are delayed again, it will not be the responsibility of the legislative branch but the executive branch. The latter has delayed sending the National Congress the bill to delimit municipal jurisdictions. It will be impossible to hold the elections without this.

Garret added that the executive branch promised maximum support to the constitutionalization of the municipal governments but so far has not approved the budget required to hold the elections (equivalent to \$2.5 million).

The law to delimit municipal jurisdictions is certainly basic for the elections convoked for December. It involves updating the capital, provincial and canton urban areas since the last municipal elections were held in 1949 with selective suffrage, not universal suffrage.

Legislative

What the president of the Senate did not say is that, in addition to the law to delimit municipal electoral districts and a budget for the elections, laws for municipal organization and regulation of elections must be passed and promulgated.

Discussion and passage of the bill for a new organic municipal law have been delayed in the legislature since the first session in 1982. The same is true of the law regulating the elections.

It was a novelty that the de facto National Electoral Court took the prerogative of drawing up a bill regulating the municipal elections since this is the constitutional prerogative of the legislative branch.

Electoral Court

The de facto National Electoral Court is not legally constituted. It is a de facto court. It should be formed by representatives from the three branches of the government and the political parties.

To be strictly legal, to organize and hold municipal elections by next December, first the National Electoral Court should be legally constituted, then an operating budget and a preelectoral timetable approved.

The convocation for municipal elections for the first Sunday in December remains in effect. However, the lack of time and money conspire against its realization. It is not surprising that the government, the legislature and the Electoral Court itself are trying to deny responsibility.

7717

CSO: 3348/552

CIVIC COMMITTEE CHAIRMAN ON DECENTRALIZATION DOCUMENT

Santa Cruz EL MUNDO in Spanish 23 Aug 84 p 1

[Text] La Paz, 22 Aug--The bill on administrative decentralization presented to the Congress Tuesday by the Pro-Santa Cruz Civic Committee must not be confused with simple deconcentration as in the bill drawn up by the National Commission responsible for its study.

This statement was made by the chairman of the Santa Cruz committee, engineer Jorge Landivar, at a press conference held today at an office of CORDECRUZ [expansion unknown]-La Paz. He emphasized that deconcentration would reaffirm the stagnating centralism existing in the country.

Landivar indicated that the bill was presented to the president of the Chamber of Deputies so that he can present it in the chamber. In addition to representing the widespread desire of the people, it includes a regional level, the participation of the community in the election of officials like the departmental prefect.

The bill presented--the fifth of its kind--permits more active participation by the provinces through a departmental assembly with three representatives per province.

The document, written after a thorough study of the topic, includes chapters related to the cultural system and the prerogatives each departmental government must have to draw up the educational policies in the department.

No Deadlines

There are no deadlines for discussion of the bill on decentralization. We hope it is done as soon as possible as the president of the Chamber of Deputies, Samuel Gallardo, promised. This was engineer Landivar's answer when asked about possible dates for its consideration.

The chairman of the Pro-Santa Cruz Civic Committee said that the topics of departmental resources, the form of election of the subprefects and representatives and interinstitutional planning and coordination must be undertaken with the calm analysis of administrative decentralization.

The role that the development corporations must play in the decentralization process must also be discussed since implementation of the new style of administration in the country takes time. Its finalization rests on its own dynamics, the participation of the community.

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CSO: 3348/552

KARACHIPAMPA PROJECT STILL LACKING RAW MATERIAL

La Paz HOY in Spanish 17 Aug 84 p 5

[Text] The start-up of the Lead-Silver Foundry located in Karachipampa-Potosi has been postponed indefinitely.

According to the minister of mining, Carlos Carvajal, some economic problems and the provision of raw material must be solved before starting the production phase.

Operation

Initiation of the plant operations has been postponed twice because of problems.

It was supposed to start in June and was postponed until the beginning of September.

When the minister was asked about that possibility, he said that it cannot start due to problems and factors that must be solved first.

The official emphasized: "We want the plant to start up and not stop again." He then indicated: "We have instructed the executives of the Karachipampa Company not to set dates to start up the plant until there is absolute security about it."

The foundry process was tested some months ago when casting molds. It was felt, then, that the plant could open soon.

The government approved measures to complete the administrative infrastructure projects and others which were delayed for various reasons.

Economy

In the economic-financial aspect, there is a problem with Germany. Its government has decided to temporarily suspend a credit for \$1.2 million allocated for the supervision of projects until Bolivia solves the problem of postponement of the payment of its foreign debt.

The minister stated that this problem can be solved, seeking resources from other financing sources.

Raw Material

The most serious problem is the lack of raw material. There must be a constant supply in the volumes that plant capacity requires. Otherwise, there would be problems like in ENAF [National Smelting Enterprise] which, due to a shortage of concentrates, cannot operate at full capacity. This increases its financial costs.

7717

CSO: 3348/552

CHILE

FOUR CNI OPERATIONS RESULT IN NINE DEATHS

Santiago HOY in Spanish 27 Aug 84 pp 16-17

[Article by Antonio Martinez: "The CNI in Action"]

[Text] The concerted action that the CNI [National Information Center] took on Thursday the 23rd was practically unprecedented; only in 1973 and 1974 can we find comparable operations. Just a few hours apart in Santiago, Concepcion, Valdivia and Los Angeles, CNI troops undertook actions that left a tragic toll: nine deaths.

The initial reports were furnished by the CNI itself, describing as terrorists eight of the individuals slain in the confrontations. The intendant of Santiago, Roberto Guillard, had no qualms either, pointing out that the operations "are an advance notice of the energetic action that law enforcement agencies will take to guarantee calm among citizens." The daily EL MERCURIO, however, had certain misgivings in its initial articles and spoke of "alleged extremists."

The CNI went into action in Concepcion at 1300 hours on 23 August. According to the account of the security agency, a CNI vehicle stopped a suspicious looking individual. Luciano Aedo Arias, 33, reportedly then fired at one of the agents and wounded him, forcing his companions to fire back. Aedo Arias was killed in the process. According to his widow, 30-year old Nora Campos, the last time she saw her husband, from whom she was separated, was on 19 August in Los Angeles. On that occasion he told her that he was worried because he was being followed. The woman said that "my husband was no supporter of the government, but he couldn't be termed an extremist either."

A witness to the incident in the Hualpencillo district stated: "As the fellow was lying there on the ground, a vehicle with three people drove up. They got out and moved him, and more shots were heard. Then three other people showed up with briefcases and planted papers on him. He was lying there, and they changed his position."

In the evening in the same city, CNI vehicles intercepted a bus on the Concepcion-Talcahuano run. Two "alleged extremists" were on it, and according to the CNI, they resisted with firearms. Both

young men died. According to HOY correspondent Mario Aravena, some of the witnesses claim that the CNI agents shot the two men when they had their hands over the heads.

Strict Surveillance

In Valdivia, meanwhile, another confrontation in the Estancilla Bridge district along the road to Niebla, left 31-year old Rogelio Tapia, a forestry engineer, and Jaime Barrientos, a 24-year old former forestry engineer student at Austral University, dead. According to the CNI, they were riding in a jeep and fired at security agents with submachine guns and revolvers. A third individual, they reported, fled.

Richard Vera, a correspondent in Valdivia, reported that the residents of Tapia and Barrientos claimed that their homes had been under surveillance for a week by security vehicles. The operation was apparently directed against individuals with ties to forestry engineering. Alcides de la Rosa, another engineer, is wanted by the CNI. His wife, German Professor Roswitha Gnan, told HOY that their home had been under surveillance since early July and that she had reported the situation to the German consul in Valdivia on Wednesday of the previous week, before the alleged confrontation.

Another individual residing at 841 Carlos Vihmeister Street in Los Angeles died as a result of CNI entry and search. According to the CNI account, they uncovered various explosive devices, MIR [Movement of the Revolutionary Left] propaganda and documents there.

Lastly, at 1915 hours in Santiago, the "Italiana," "Real" and "El Ciervo" armories (the first two are on the second block of Arturo Prat Street) were held up by five extremists from the "Manuel Rodriguez Patriotic Front." According to the CNI, they carried off 18 shotguns, sleeping bags, telescopic sights, a pistol, a rifle, cash and 10 compressed air weapons.

They then fled in a stolen Datsun cab, after leaving behind a bomb that exploded. In addition to the CNI being involved in the pursuit, the "Red Alert" Plan was set in motion, as in cases of kidnapping, and thus members of GRAPO [Carabineros Police Action Group] also took part in the operation.

Near stop six on Ochagavia Avenue, a CNI vehicle intercepted the taxi, a shootout ensued, and two of the alleged extremists died. A communique told of the identity of one of them: 35-year old Roberto Homero Gonzalez. According to witnesses, the CNI arrested a third individual.

Moonlighting

At midnight that same Thursday, Father Hernan Correa took 28-year old Ricardo Hermosilla Diaz to Barros Luca Hospital for humanitarian reasons. Diaz had arrived at the church with five bullet wounds, and he was presumed to be one of the extremists who was involved in the holdup of the armories and the subsequent shootout.

Two CNI officials were severely wounded in the shootout. Also slain was 37-year old Guido Sepulveda (married, four children), who was riding in a red Charade when a bullet struck him. Sepulveda was delivering a television at the time, since he moonlighted after his regular job at the Chilean Electric Company, Ltd.

The Association of Relatives of Political Execution Victims of Chile drafted a declaration denouncing "the repressive methods that have left nine dead."

"Exactly 2 weeks ago," they recalled, "huge numbers of people carrying flowers in every city pleaded solemnly for respect for and protection of life and rights...More than 10 years have passed, and we continue to cry out: 'No more killings.'"

8743

CSO: 3348/551

CHILE

CEVAL MILITANTS CHALLENGE RADICAL PARTY LEADERSHIP

Santiago ERCILLA IN Spanish 29 Aug 84 pp 23-24, 26

[Article by German Gamonal]

[Text] The members of the Valentin Letelier Studies Center (CEVAL), which consists mostly of Radical Party (PR) activists, have two goals.

Their "official" objective is to become "a permanent training and development school that aims at the socialization of democratic values and at promoting the idea of socialism within freedom."

To fulfill this objective, CEVAL publishes a house magazine that reaches all political sectors; organizes talks, seminars and roundtables, and keeps files and a newspaper and periodicals library on topics related to democratic socialism. Although the center was organized less than 10 months ago, it already has modern offices at 611 Agustinas Street (third floor) as well as affiliates in Santiago, Valparaiso, Concepcion, Spain, Sweden and other countries. Several former Radical lawmakers and two former ministers, Orlando Cantuarias and Anibal Palma, have joined the center's ranks.

The men and women of CEVAL, who include attorneys Berta Belmar Ruiz and Ana Eugenia Ugalde, have other legitimate concerns besides study and reflection. A powerful Radical faction has been organized in CEVAL, and some of its main goals are:

1. To take control of the Radical Party "from within";
2. To displace Ramon Silva Ulloa's Democratic Socialist Federation, which includes Radicals, Social Democrats and Popular Socialists;
3. To transfer the Radical Party from its current place in the Democratic Alliance to the Socialist Bloc (the long-range project);
4. To make the Radical Party the hub of a new Left, with the backing of socialists, communists and other factions that are currently part of the Socialist Bloc (Christian Left, MAPU [United Popular Action Movement], Socialist Convergence, etc);

5. To initiate realistic studies to turn the party into a "ruling party option" when "the time" comes and to run against the Christian Democrat candidate who will emerge from Democratic Alliance and "Pinochet's successor," who will have the support of the Right, including nationalists, the Independent Democratic Union (UDI), etc.

To achieve these ultimate goals, the CEVAL Radicals feel that they have to begin moving "right away" and for some time now have therefore been calling for a "broad and representative" convention to put forth the leftist philosophy and start carrying out the rest of their political plan.

When they are criticized for having offices outside the party and publishing magazines that take exception to Enrique Silva Cimma's current political leadership, they say that: a) They have complete respect for the person of the current Radical president; b) Raul Alfonsin had to proceed likewise to compete with Balbin's machine.

They have something to add, and "we hope you put it in." "We do not want a breakup...This means that we do not seek to divide the Radical Party and form another movement...We want to control the party and place it clearly on the Left..." (remarks by attorney Victor Manuel Rebolledo Gonzalez to ERCILLA before he left for Spain).

This was confirmed by Jorge Schaulsohn Brodsky, the son of one of the most brilliant deputies to have served in the National Congress. Schaulsohn studied law in New York, received his degree and married an American girl there; she is currently in her fourth year of medical school at the University of Chile. The young leader had the following to say in his office on the 21st floor of the building that faces Santiago Cathedral:

"I think that it is useful to bring out that we are not communists, nor do we have infiltrators. We are a large group of Radical Party leaders, with more than 15 years of active membership. We have gotten together professionals from intermediate generations with longtime leaders and formed a team that has great motivation and vast knowledge of the subjects that each of us deals with. Moreover, we are nobody's men...we're not Anibal Palma men or Anselmo Sule men or anybody's men...we are a generation that is salvaging the true Radical spirit...and I can tell you something else...we're going to do it."

"Is it true that you have funding from overseas?"

"That is a despicable lie. Since we are motivated, there are things that cost us nothing. We put out a magazine with almost cottage industry methods. We members of CEVAL finance the rest."

The Roundtable

Several incidents have displeased the governing body of the Radical Party, which sees the group as a "deviationist minority." The tiff began when Revolutionary Radical Youth took certain stands, which culminated in its takeover by the governing body and the appearance of the faction's then president before the disciplinary tribunal, which suspended Cesar Parra Vasquez for 3 years.

Later, a faction tried to take part in a national assembly at a hotel in Vitacura but was prevented from doing so by the governing body. As a result, the body called Jorge Schaulsohn before the disciplinary tribunal, but he has not yet even been summoned.

In June and July, CEVAL organized a roundtable that was attended by leaders of parties belonging to Democratic Alliance and the Popular Democratic Movement (MDP), which annoyed Enrique Silva and his ally in the Alliance, Mario Sharpe.

A document was drafted as a result of the roundtable, and each of the panelists had to revise it. It was then released, and a third phase of the roundtable was announced, which infuriated the governing body. Silva Cimma complained in the Alliance that representatives of the opposing bloc, including Christian Democrats Radomiric Tomic, Bernardo Leighton and Renan Fuentealba, were in attendance at "meetings organized without the approval of the governing board." Silva Cimma's complaints also extended to the Republican Right, because former Deputy Julio Subercaseaux took part alongside the MDP.

Silva Cimma managed to have the roundtable scheduled for 22 August "suspended until further notice."

The PR Governing Body Counterattacks

In the face of this, the Radical Party's governing body reacted as if it were uttering the statement that Secretary Gonzalez Marquez made popular: "That's enough of this, gentlemen," as it sent the mentor of the roundtable, attorney Rebolledo Gonzalez, who has close ties with the Spanish Socialist Workers Party (PSOE), before the disciplinary tribunal and included a dossier on him that makes mention of his expulsion from Radical Youth in 1970, his reinstatement in Europe and a second expulsion.

Who is on the tribunal?

1. Yerko Koscina ("yes, the same name as the actress"), an attorney from La Serena, a Radical since 1948 and one of the organizers of the 1982 convention "in the thick of the underground."
2. Bernardino Ayala Roman, the former director of Post and Telegraph.
3. Carlos Catalan, attorney.

ERCILLA spoke with tribunal president Kerko Koscina, who merely said: "The party's supreme tribunal does not make statements to the press. It deals with matters on a totally internal basis and is independent of the party's governing body. We were elected at a convention and we account for our actions solely to another convention. Nevertheless, I want to clarify that the fact that a body brings a member before the tribunal does not mean a guilty verdict. We are autonomous and very independent "

The alternate "executioners" are attorneys Julio Carrasco and Armando Artigas.

The second item that the governing body took up had to do with a new political committee, because its chairman, former Deputy Manuel Rioseco, submitted his resignation with "quite a few attachments." Silva Cimma endeavored to expand the political committee but ultimately did not appoint it.

Finally, since the "small dissident group" wanted a convention, the governing board called a convention for the second half of November. One week later, however, the faction of the "pibes" [boys] (perhaps in memory of Anibal Palma) sent a three-page message to the members calling for "a democratic convention," contending that the governing board wants to stage a "farcical convention with only 100 people in attendance" when more than 1,000 party members would normally be there.

The new Radical offshoot prompts this response from Enrique Silva's friends: "Enrique has salvaged the Radical Party's respectability...He has done outstanding work to unite the democratic opposition. He is respected in the Alliance, in the country and overseas. The CEVAL group, which consists of grudge-bearers and a few infiltrators, can do a great deal of harm, so particulars have been sent to the supreme tribunal concerning grave violations of party unity."

The "pibes" reply: "The Radical rank-and-file is behind us...and contrary to what our current secretary general says, we can answer him: 'This is just the beginning, gentlemen.'"

8743
CSO: 3348/551

CHILE

RETAIL BUSINESS LEADER ARRESTED

Santiago EL MERCURIO in Spanish 30 Aug 84 pp C1, C2

[Article by Maria Eugenia Rivera]

[Text] San Fernando--Rafael Cumsille, the president of Chilean retail business, appeared voluntarily around noon yesterday at the First Court of Instance of San Fernando, and Judge Monica Gallo Mansilla informed him of the formal indictment that the Supreme Court has handed down against him.

He later entered the Social Readaptation Center beside the courthouse.

The business leader was accompanied by hundreds of persons, including the teamsters president, Adolfo Quinteros; the vice president of retail business, Elias Bruguere, and the head of the trade union in this area, Hugo Valenzuela, in addition to trade union leaders and delegations from around the country.

Stores Close Down

Meanwhile, stores in this city closed their doors as of 11 this morning in a show of support for Cumsille, who will be held, with visiting rights, in one of the three cells in the special privileges section, which is located in the eastern wing of the prison; this was arranged entirely by the Chamber of Commerce.

In response to a question, Judge Gallo said that she had not yet been notified as to the appointment of a special magistrate. Therefore, until such time, it will be up to her to try the case, which has a six-volume file and involves six persons, two of whom are free on bail: Gladys Piddo Daccaret and Pedro Arraiza.

For his part, one of Cumsille's defense attorneys, Sergio Gonzalez, clarified that a request for release on bail would not be filed for the time being but that it would be considered later.

Trade Union Assembly

Meanwhile, at around 1300 hours an assembly was held at the storeowners' headquarters, and Bruguere, Quinteros and Valenzuela took the floor. The latter underscored that Cumsille was simply being persecuted "because he had always been speaking out against the government's economic blunders."

He added that business has decided to take action in many ways nationwide, singling out the "caravan of solidarity that will travel from the capital to this city next Sunday."

"But the most important decision has to do with us remaining in a state of alert and making use of every recourse to which we are entitled as a trade union. These include closing our doors and protest demonstrations, even though many people do not care for the expression," Valenzuela stated.

He went on to say that the demonstrations would be conducted as befits the situation. He said in conclusion that in his judgment the appointment of a special magistrate would speed up the trial, thus enabling the defense to promptly demonstrate the innocence of Cumsille and his wife.

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CSO: 3348/551

CHANCES FOR DETENTE IN SOUTHEAST ASIA REVIEWED

Havana TRICONTINENTAL in English Jul-Aug 84 pp 38-42

[Article by Luis M. Arce]

[Text]

IT has been nine years since the terrible nightmare of the United States' bloody, cruel and unjust war ended for the Vietnamese and Laotian people. The Kampuchean people would also be celebrating nine years of liberation from the claws of imperialism if the people's military victory had not been snatched away from them by a vicious group of opportunists headed by Pol Pot. Taking possession of what they themselves had not won, they savagely initiated one of the most horrible episodes known to humanity.

For nine years the Vietnamese and Laotian people — and for the past five years, the Kampucheans — have fought a hand-to-hand battle to wipe out the effects of war and genocide, and to revive from the ashes a constantly growing and developing economy that serves as a solid basis for the happiness they are forging with their work and sweat.

The word hunger has already been nearly forgotten in Vietnam, Lao and Kampuchea. The

end of the war and the genocide marked the beginning of a period of reorganization and restructuring of agriculture and incipient industry, especially the food industry.

Last year in Vietnam the food production plan was overfulfilled for the first time. New industrial capabilities, especially in building materials such as cement, and the generation of electrical energy, were created, and printing paper was added to the kinds of materials in production. The methods for extracting minerals was modernized and textile, oil and gas production were increased.

In Kampuchea all the state structures destroyed by the Pol Pot regime were re-established and the infrastructure of the country was rehabilitated. Almost all the factories that had been scrapped by the genocidal regime were restored. Land was turned over to cooperatives, the agricultural labor force was reorganized, and modern farming techniques were introduced. Last year Kampuchea harvested over two million tons of rice and began to export agricul-

tural surplus such as wood, rubber and tobacco.

The multinational Lao people, for its part, has successfully begun the fourth year of its first five year plan, following guidelines set out at the Third Congress of its People's Revolutionary Party.

In just a short time Lao has been able to increase its important achievement has been the 40% increase in national income during 1977-1980--five times greater than the increase in population, which has been growing at 2.4% a year.

But the fruits of this tremendous productive and organizational effort by the Indon-chinese countries has taken place amidst threats, tension and acts of aggression because, unfortunately, although the US imperialists were thrown out of the peninsula nine years ago, there is still no final peace for these peoples.

These external threats and aggressions have forced the people from these three sister republics to shield themselves, as in the past, in their historic brotherhood and fraternity of arms, to strengthen themselves and be able to successfully confront their common enemies.

This characteristic of the history of the Vietnamese, Laotian and Kampuchean people was emphasized at the 8th Conference of Indochinese Foreign Relations

Ministers held in Vientiane, Lao, January 28-29 of this year. The Ministers discussed and reached agreements on the points they hold in common regarding the political, diplomatic and military situation in the region.

It was clear from their analysis that the political and military tensions which are so perilously disturbing the peace in Southeast Asia stem from the reactionary, expansionist and militaristic policies of the Chinese and US governments.

China's aggressive policies toward Vietnam have not changed, and China is still making military attacks along Vietnam's borders. Vietnam, supported by Lao and Kampuchea, has reiterated its desire to re-establish friendly, good-

trical energy potential to 15 million kilowatts and develop important projects for exploiting and replanting its forests of precious woods in an area of over 11 million hectares. It has also set up farming cooperatives, with notable results: it is now on the point of being self-sufficient in food-stuffs, especially rice. An im-

neighbor relations with China based on the principle of peaceful coexistence. It is now China's turn to take corresponding steps toward detente, which is so badly needed to make Southeast Asia into a zone of peace and cooperation.

The ministerial conference of the three Indochinese peoples analyzed the United States' government's actions in the post-war period, reaching the conclusion that the White House is still holding onto its old militaristic positions, utilizing the ruling circles of Thailand and other Association of Southeast Asian Nations (ASEAN) countries, whose intransigence prevents reaching any peace agreements.

One of the more important questions dealt with by the

ministers was the clarification of the positions of the three countries regarding the investigation and exchange of information with the United States concerning the US soldiers missing since the yankee war of aggression against Lao, Vietnam and Kampuchea.

The three countries indicated their willingness to cooperate with official or non-official US agencies in these investigations, and to reach agreements with the US government.

Regarding the ASEAN blockade of these countries, the Indochinese foreign ministers repeated their joint positions in favor of achieving and maintaining lasting peace and stability in Southeast Asia, totally rejecting all foreign intervention and concentration of troops in their countries as a means of reaching solutions to the urgent problems confronting them. This reflects the sentiment of each of their peoples to coexist in peace and to have cooperative relations with each other.

The ministers warned that the only alternatives for the region were war or peace. This is based on the undeniable fact that all threats to these countries' independence come from outside the region; that they have always been the principal victims of these threats and attacks; and that these aggressive actions have been able to be carried out thanks to the use of the territory of certain countries in the region, such as Thailand. They pointed out that historically the imperialist and expansionist forces have resorted to a policy of "divide and conquer."

But there are still great possibilities for peace if there is good faith and a desire to reach constructive agreements.

The Indochinese ministers have proposed a series of possible steps to initiate talks leading to a stable and lasting peace. The principal points suggested are the adoption of a general plan for withdrawal of all foreign armed forces from Southeast Asia, the end of all foreign intervention, and the establishment of a zone of peace, friendship and cooperation, as outlined in the resolution adopted by the 7th Summit Conference of the Non-Aligned Movement held in New Delhi in March 1983. This resolution is essentially the same as a proposal by the ASEAN countries in 1971, and as a 7-point proposal presented by the Laotian foreign minister on behalf of the Indochinese countries at the 36th session of the UN General Assembly in 1981.

Another possibility is the adoption of a partial solution between China and the three Indochinese countries that would include the withdrawal of Vietnamese volunteers from Kampuchea, an end to the Chinese threat and to the utilization of Thai territory as a base for attacks against the Khmer people.

A second option for a partial solution would be an agreement among the three Indochinese countries and Thailand, guaranteeing equal security to all parties, and the establish-

ment of a security zone on both sides of the Kampuchean-Thai border.

There is even a final remedial or interim variant aimed at avoiding the danger of an escalation that would aggravate the current situation and erupt into armed conflict, and that consists in adopting a basic principled agreement on relations between the two groups of countries, that is, between ASEAN and the Indochinese countries. Such a basic agreement should be aimed at limiting the danger of war and setting up a progressive way to settle the disagreements among the two groups of countries or among all the countries of the region, including China.

An extremely important conclusion reached by the Indochinese ministers is that in the years since the exit of the US invaders from Indochina, especially in the last five years,

when tensions have increased, it has been abundantly demonstrated that it is urgently necessary to have face-to-face, serious and constructive negotiations if Southeast Asia is to truly be converted into a zone of peace.

This idea is slowly taking shape among some ASEAN countries which see the situation in the region more realistically. The Indochinese foreign ministers took note of this and welcomed the step taken by Malaysia, which had presented a proposal for initiating talks among the five ASEAN countries and Vietnam and Lao. These latter two countries would represent Kampuchea, to keep that country's participation from serving as an obstacle to beginning the dialogue.

But neither this nor any other proposal has been accepted or put into practice by the rest of the ASEAN member nations.

China's reaction was a five-point proposal dated March 1, 1983, which was totally unacceptable to the Indochinese countries. It essentially aims to continue threatening the three Indochinese countries, utilizing the Pol Pot forces inside Kampuchea to oppose the rebirth of this decimated people, and using Thai territory as a base from which it can intervene in Kampuchea's internal affairs.

The ministerial-level Conference of the Indochinese countries once again showed the consistent policy they have followed in search of a political solution that would completely eliminate the tensions and dangers of war in the region and would turn Southeast Asia into the zone of peace, friendship and cooperation that all their peoples long for.


CSO: 3200/55

OPPOSITION TO U.S. POLICY ON LATIN AMERICAN DEBT CRISIS

Havana GRANMA WEEKLY REVIEW in English 12 Aug 84 p 9

[Article by Rafael Perez Pereira: "The Latin American Crisis and U.S. Policy"]

[Text]



THE INCREASINGLY grave news this week for Latin America centered on the economic crisis and its inevitable social consequences. This problem has become a connecting link with all the others and is getting leading coverage in the media. The same concern, worry and outcry comes through clearly in news agency dispatches from the region: how to prevent the total stranglehold of Latin American nations as a result of their economic problems and particularly the foreign debt of 350 000 million dollars. The debt has reached new heights as a result of the latest U.S. bank interest rate hike, which is expected to increase even further.

Now that the first half of 1984 has concluded, there are almost daily, if fragmentary, news reports from nearly all market economy countries, especially those of the Third World, Latin America in particular, which tell of drops in export earnings, spiraling inflation and unemployment and an outlook that is even more ominous in terms of the increasingly remote yet indispensable goal of economic growth.

This week there were all sorts of statements, proposals, complaints, protests and denunciations which varied widely in form and content — from the more cautious and moderate to the most radical — with talk of new meetings of all those interested in the problem, including a special session of the Latin American Parliament for July 20 in Costa Rica, along with a North-South summit at a date to be set later. On July 19 there was a meeting of heads of state of Caribbean Basin Initiative countries and the United States, in Columbia, South Carolina.

Among the broad range of people and groups speaking out on these issues and taking initiatives, a degree of unity is developing which has concerned the Reagan administration and its powerful economic backers. This unity is centered on the need for defending vital interests which are threatened now more than ever before in Latin American history.

The United States shows no sign of being aware of the magnitude of the crisis or the implications involved for its own interests. They are heedless to the views expressed by institutions and people who are not the least bit radical. In fact, the only thing the Reagan administration can say about them is that they are more realistic and have greater foresight about the consequences of the crisis and the need to solve it.

Mr. Norberto González, assistant executive secretary of economic and social development of the Economic Commission for Latin America (ECLA), said a solution by the U.S.-controlled International Monetary Fund was impossible. Speaking in Santiago de Chile, the IPS news agency quoted him as saying that the survival of Latin America was at stake.

In Rome the international financial organizations met for what was called the Tidewater Meeting, sponsored by the European Economic Community. According to the Spanish news agency ERE, these organizations acknowledged that to continue imposing greater austerity on debt-ridden countries could only lead to a grave social crisis. Among those at the meeting endorsing this view were World Bank President Alden W. Clausen, Jacques de Larosiere, director of the IMF; and officials of the United Nations Development Program and the Organization of Petroleum Exporting Countries (OPEC).

In the United States itself, *Foreign Affairs*, a publication which specializes in international politics and has always played its role in the formulation of U.S. foreign policy on the basis of an analysis of basic trends in each period, warned recently, as reported by AFP, that if the Reagan administration remained indifferent to the crisis or actually made it worse by letting the banks and the IMF act unhindered, this would lead to more radical positions by the nations of Latin America and limit the options of the United States as a world power while arousing anti-U.S. feelings in the region and the world.

Former Ecuadoran President and Secretary General of the Organization of American States Galo Plaza, who can by no stretch of the imagination be called an enemy of the United States, speaking in Boston on July 9, according to AFP, said that Latin America is "in dire economic straits in the entire region and in dire military straits in Central America."

In Washington, the Economic and Social Council of the OAS met on the issue to no avail, as reported by Associated Press. The AP dispatch actually said that there had been many complaints about increased interest rates in the United States because nothing positive is expected from it.

Some of our older readers may remember how the Inter-American Regional Labor Organization served imperialism during the 1950 cold war era but now it is saying some things which, had they been said in other eras, would have led reactionaries to brand them as Communists. These facts are that 150 million Latin Americans live at barely survival level and the masses in this region are on the brink of a violent explosion. It notes that the proposed austerity measures (meaning the IMF program) would lead to a massive drop in the purchasing power of workers (not to mention peasants and the unemployed).

There are others who have spoken out such as Helmut Schmidt, former chancellor of the Federal Republic of Germany, who was quoted by the Italian news agency ANSA as saying that President Ronald Reagan lacks international vision. "The world economy is in great chaos even though the United States in all its optimism does not realize it," said Schmidt. There might be those who point out that Schmidt is a Social Democrat and perhaps it would be better to listen to the current FRG head of government, Helmut Kohl. Kohl agreed to the deployment of

U.S. nuclear missiles aimed at the USSR and other socialist countries on the soil of his country. But even he, on his recent visit to Mexico, analyzed the Latin American economic situation in a serious vein and, according to AFP, was openly critical of the interest rate hike, trade protectionism and onerous conditions for debt renegotiation. Everyone knows that these are precisely what the Reagan administration has been advocating and doing. And many other interesting and authoritative testimonies could be brought to bear.

Amidst this grim outlook, ominous for the United States and the entire so-called free enterprise system, what has Ronald Reagan been doing? How has he reacted? In his letter of July 11 to Ecuadoran President Oswaldo Hurtado, who had requested better treatment for Latin America, Reagan said that the problems of the underdeveloped countries were on his mind and that he would be reviewing them case by case.

Only on his mind with no deed to back this up? For how long? Does he plan to wait until the last Latin American has starved to death, along with every last African and Asian? Does he think they will accept such a destiny? And why case by case? To play them off against each other and seek blackmail? This would seem to be the reason.

Given the indifference and almost openly acknowledged plans, the Reagan administration is showing itself to be the main obstacle to even the most moderate serious attempt to deal with the economic and social problems of the Third World.

This demonstrates extreme political shortsightedness and isolates the administration politically, making a mockery of their electoral promises of four years ago and today on U.S. leadership.

Hence, there is a growing fear on the part of many who have spoken out and been openly critical that the Reagan administration underestimates alarming signs like the recent hunger marches in Haiti, which were shot down by Duvalier forces, or the more recent militant demonstrations in the Dominican Republic demanding food and protesting against the resumption of negotiations with the IMF. This is what they fear most. How many Santo Domingo's and when? Even more explosive? What will the consequences be and what of a possible chain reaction? Will the outcome be all Latin America ablaze with revolution?

FOREIGN TRADE MINISTER ON FAILURE TO REACH SUGAR AGREEMENT

Havana GRANMA WEEKLY REVIEW in English 26 Aug 84 p 8

[Minister of Foreign Trade Ricardo Cabrisas interviewed by Raul Lazo Gonzalez: "Why the Sugar Agreement Wasn't Signed"]

[Text] IN REVIEWING the 14 months of intense talks to reach an international agreement, which began with the International Sugar Organization toward the end of 1982, Ricardo Cabrisas stated that the basic principles of Cuba's sugar policy in terms of the proposal it presented throughout the negotiations can be summarized as follows: To maintain a constructive attitude for the sake of achieving a new international agreement with economic clauses; to achieve a differential in favor of developing countries, and respect for the rights and duties of every member of a new agreement; to define the scope of the new agreement with regard to the so-called free sugar market to avoid damage to our sugar trade with the other socialist countries; to make sure that Cuba is allotted the minimum amount of sugar required for its exports to the capitalist market in convertible currency; to try to bring supply as close as possible to demand; and to adopt a really effective regulatory mechanism in order to reverse the bearish trend in world market prices.

This agreement should have brought together the main exporters and importers, specifically the European Economic Community, considering that the 1977 agreement now in force expires on December 31, 1984. The agreement has been ineffective precisely because it doesn't include this important group, which has become a major exporter in the past few years. Since it was not bound by the agreement's regulations, the group put into effect an indiscriminate policy of production and exportation--the former based on subsidizing producers--which has had a substantial effect on the world sugar market.

What was it that prevented the signing of an agreement and what countries were responsible for the failure of the Conference?

In our opinion, the main obstacle was the lack of political will demonstrated by two developed capitalist exporters present at the negotiations. First of all, Australia assumed an adamant attitude regarding its indexed exportable availability (IEA) and its further computation during the term of the agreement. Its insistence on trying to limit Cuba's special agreements with other socialist countries in a new agreement created a negative climate in the Conference and this was reflected even in the talks on the administrative agreement.

On the other hand, the EEC tried to take advantage of the opportunity to legalize the position it has achieved as exporter to the free market thanks to the subsidies to producers, and did not want to be bound by any regulation, contrary to the other members of the 1977 agreement.

Therefore, these two factors, responsible for an increase in sugar exports, could not be accepted as valid and projected toward the future in an IEA as high as over five million metric tons, as the EEC proposed, to the detriment of the other exporters and of adjusting supply to demand.

Another factor that was not discussed at length was the price scale. According to the Cuban delegation's opinion, the regulations governing the new agreement should be able to set the market prices at levels profitable to exporters without constituting an excessive burden for importers. In this respect, Cuba proposed a price scale that was approved by the immense majority of exporters. It included an inactive area with a range of six cents setting the limits to the prices in the mechanism if it proved to be effective, with the lowest point being 13 cents and the highest 19 cents (U.S. dollar). The mechanism envisaged two active rise points of a 2-cent range, that is, 21 and 23 cents, and two drop active points with a different range, that is, 11 and 10 cents.

Australia and the EEC proposed a similar plan but with much lower prices, particularly in the active drop points based on 7 and 6 cents, respectively. The Cuban delegation argued that this proposal was practically unacceptable for the underdeveloped exporting countries.

Australia was one of the countries that prevented the Conference from arriving at an agreement. Has Australia always taken such a stand and, in your opinion, what's behind this attitude?

Australia's attitude toward Cuba's special agreements with the other socialist countries was the same at the 1977 Conference, when the British Commonwealth's and the United States' special agreements, of which Australia was a beneficiary, had ceased to exist. They had terminated in 1974.

Generally speaking, Australia has always maintained a fairly inflexible stand on sugar matters. For example, in 1977 it refused to accept a cut of under 15 percent in its basic export tonnage for the first two years of the agreement. The other countries accepted a cut as high as 17.5 percent.

Australia is a developed capitalist country with many sources of income other than sugar. Sugar represents only 1.17 percent of Australia's GNP. In 1981, sugar peaked at 6.22 percent of its exports. Australia's increase in production and exports was due, first of all to the advantages offered by the preferential sugar agreement among the British Commonwealth countries in force between 1951 and 1974, and second, to its increasing participation in the U.S. preferential market beginning in 1961 following the suspension of Cuba's sugar quota. This participation has been maintained and has even increased after the preferential treatment for sugar imports that existed in the United States came to an end.

In short, acceptance of the Australian proposal would have led to a limitation of Cuba's sugar exports to the other socialist countries. The Cuban delegation could not agree to this under any circumstances since curtailing this trade would cause serious damage to our plans for economic integration with the socialist community and, in fact, to our very development, considering the role sugar plays in our trade with the CMEA member countries.

Was acceptance of Cuba's proposal implicit in the recognition of Cuba's position by the representatives of Great Britain and France, both members of the EEC?

The fact that the EEC does not form part of the International Sugar Organization caused a delay in the preparations for the Conference due to the ideas upheld by this important group of countries regarding the mechanism to be used in regulating sugar supply in a new agreement. The EEC was in favor of a mechanism based on stocks, contrary to the rest of the exporters, mainly Cuba and Brazil, who favored a system based on export quotas. In the course of the negotiations we came to an agreement to use a mixed system in which stocks would play a more important role. The acceptance of this system by the EEC could be viewed as a change in its original position. However, the EEC was not as flexible in other aspects of the negotiations, particularly when it came to the amount of indexed exportable availability, that is, the amount of sugar it could have to place on the market. We also believe it's only fair to draw attention to the EEC delegation's efforts to find a solution acceptable to Cuba regarding the special agreements.

The recognition of Cuba's constructive attitude by the participants in the Conference, especially by the EEC delegation, attests to the serious, consistent attitude maintained by our delegation, although this does not necessarily imply acceptance of our proposals.

Now that there's no agreement, where does that leave the international sugar market? How do you foresee the development of this market? Would a price war be a "solution" to the current crisis with the inevitable result of bankruptcy for the weaker producers? Will prices go up in the long run? And how will prices behave in the short term?

It is obvious that the absence of a new international sugar agreement with economic clauses will have a negative effect on a market which already shows signs of depression. It is practically impossible to make a long-range forecast on the market's development. All we can do is to mention some factors that have to be taken into account, among them the negative effect resulting from the elimination of the obligation to accumulate special stocks--some 2.5 million tons--at the end of this year when the 1977 agreement expires. Two and a half million tons that could be dumped on the market. Within the International Sugar Organization, Cuba will make an effort to mitigate the increase of the supply on the market.

We don't believe that a price war could or should exist, much less as a solution to the current crisis. The sale of sugar will be carried out according to market prices and this will lead some producers either to cut down on

production or stop producing altogether in view of the four-cent level, while others will maintain and in some cases increase production. Each producer will decide according to a number of factors that include, first of all, the extent of its dependence on sugar; second, on production costs--that is, the efficiency with which the sugar is produced--and third, the available financial resources that will enable it to withstand this period of crisis and also the assurance of being able to place its production at minimum profitable prices. Under conditions of capitalist production, this should bring about structural changes to the detriment of the weaker, less efficient producers with less resources, first of all, the developing countries.

Such a situation should lead to a gradual reduction in world production as well as a gradual reduction of surplus stock. This, in turn, will bring about a period of price recovery, but when that recovery will take place is impossible to predict.

Does the failure in achieving an agreement mean the end of this type of negotiation within UNCTAD?

No, it does not in any way mean the end of this type of negotiation within UNCTAD. Reaching an agreement on basic products is a very complex task and an agreement that is satisfactory to all parties is not always attainable. That was the case with cacao, for example. As far as sugar is concerned, there's the precedent of the failure of the 1973 Conference which, as in this case, led to an administrative-type agreement that was in force until 1977 when a new administrative agreement was reached to preserve the International Sugar Organization, whose main objective is to continue the talks in order to come to a new agreement with economic clauses as soon as possible. This means that the talks will continue not within the framework of the Conference but rather within that of the ISO, until the groundwork can be done to convene a new conference under the aegis of the UN.

What effect has the United States' sugar policy had on the world market?

In contradiction with its so-called free market policy on basic products, the United States maintains a system of restrictions on sugar imports based on quotas, combined with a national program in support of domestic prices.

The U.S. protectionist policy has had dire implications for different sectors. The underdeveloped countries that export sugar to the United States are confronting a shrinking market and the obstacles represented by a quota system that makes access to that market very limited. Furthermore, the U.S. consumer bears the burden of the U.S. sugar industry subsidy, which runs to over 3000 million dollars.

Sugar consumption in the United States between 1977, when the agreement went into effect, and 1983 dropped by 2.3 million tons, and sugar imports dropped from 5.3 million to 2.6 million tons. This is the result of the U.S. policy to discourage people from using sugar while at the same time encouraging the production of sweeteners, especially enriched corn syrup. Sweeteners have displaced sugar to a great extent in the United States.

Moreover, the United States, once the world's second largest sugar importer, has been gradually increasing its sugar reexports to such an extent that in 1981 the amount of reexported sugar ran to over 900 000 tons. All this has been a determining factor in the drop of sugar prices on the world market.

Given this situation, what is the importance of the agreement with the socialist countries and other bilateral agreements we might achieve?

The special agreements with the socialist countries make possible the planned sale of over 70 percent of Cuban sugar at fair prices. They guarantee our economic development since it is through this form of trade in the present circumstances that we can ensure the imports required to meet our people's social, economic and cultural needs and at the same time ensure our long-term development plans.

Cuba's bilateral agreements with other countries, specially underdeveloped ones, enable it to plan its trade on the basis of equity and mutually advantageous relations.

One Last Comment

Our economy, the corresponding state agencies and the Ministry of Foreign Trade continue to be geared to guarantee, through a sustained increase in exports, the flow of income needed to compensate for the effects of the drop in current sugar prices on the international market because every one-cent drop per lb in the price of sugar means a loss of 22 dollars per ton exported to the free market.

CSO: 3200/56

DOMINICAN REPUBLIC

PRESIDENT REPORTS ON ECONOMY FOR FIRST HALF OF 1984

Santo Domingo LISTIN DIARIO in Spanish 19 Aug 84 p 16A

[Article by Jose Romero]

[Text] The country's oil imports rose from \$216 million during the first half of 1983 to \$253 million in the first 6 months of 1984, according to a summary of economic data for the current fiscal year outlined by President Salvador Jorge Blanco in his speech this week.

The imports are up 17 percent from the first half of 1983 to the same period this year.

Jorge Blanco said that excluding the direct oil imports of the Falconbridge Company, there was a 943,000 barrel increase in imports of petroleum and derivatives. He then asked: "Do we now understand why the prices of this strategic product, whose use permeates all of the country's activities, must inevitably be brought in line with reality? Do we now understand why this situation cannot go unchanged?"

In addition, he said that speaking objectively and unemotionally, we are seeing some positive economic developments, such as the rise in imports owing to incentives, and increases in the production of corn, peanuts, bananas, beans, pork, ferronickel, limestone, rum, cement and construction rods. The production of beer, cigarets, paints, pasteurized milk, pasta and refrigerators has dropped, however.

He pointed out that capital spending by the government and the main decentralized agencies remained at \$159 million during the first half of the year, the same as in 1983, with spending now concentrated in priority projects such as hydroelectric plants, canals, highways, local roads, clinics, rural schools and other similar projects.

He said that the five percent increase in sales of cement and the four percent rise in sales of rods pointed to a pickup in private construction, and he also mentioned higher investment in tourism and housing.

Jorge Blanco said that government spending is keeping pace with its revenues and its deposits in and support from the Reserve Bank and that it is not having to issue currency without backing. Also, net Central Bank financing is down 0.3 percent from December, or by \$4 million, and monetary policy is on schedule. From January to June \$23 million was paid in interest on the debt, almost \$2 million in bank commissions and other debt-related expenditures, as well as \$25 million to amortize loans not subject to rescheduling.

During the first half \$72 million was spent on materials and supplies, \$9 million more than in the same period last year. Actual investment spending totaled \$135 million, down \$15 million.

Exports hit \$508 million, up \$82 million, with higher sales of sugar, coffee, cacao and tobacco. There were also increases for items such as raw coconut oil, processed black tobacco, melons, yautia and yucca, live plants, chile and peppers. Gold and silver prices fell, however.

Imports were up, but only by 2 percent or \$10.5 million, rising from \$626 to \$640 million, resulting in a trade deficit of \$129 million, which is down by \$71 million.

Food imports by INESPRE [National Institute of Price Stabilization] totaled \$32 million, up some \$8 million, including \$15 million in soy flour and oil, almost \$12 million in corn kernels, and \$5 million in sunflower oil.

The chief executive pointed out that as a result of tax and exchange adjustment measures, overall imports fell by \$35 million, or 9 percent.

Gross international reserves dropped by 26 percent, and as of 30 July net international reserves closed at a negative \$478 million. The gross domestic product rose by 0.7 percent, an insignificant rise that shows that the economy has stood still.

Farm production as a whole declined by almost 2 percent; mining was up 6.5 percent; and industry as a whole declined by almost 0.5 percent, with sugar industry output down 1.6 percent. If we exclude sugar production, however, we see that the rest of the industrial sector's output remained practically the same, down by just .001 percent. Construction was up by 1.6 percent; electric power output rose an impressive 17 percent, and the government grew by 3.5 percent.

Jorge Blanco said that each percentage point rise in international interest rates means at least \$8 million more in interest payments for the country and that since December of last year rates were up 2 points, which has cost the country more than \$16 million.

Because of the fall in the prices of gold and silver, the country has lost about \$15 million, which at going prices will rise to almost \$30 million by the end of the year.

He pointed out that drops in export prices and increases in import prices would have at least an \$80 million impact on our balance of payments and that by year end this could amount to more than \$250 million, comparing today with 1981.

There was a 4 percent expansion of the money supply, which Dr Jorge Blanco felt was in keeping with the growth rate of the gross domestic product, 0.7 percent. The inflation rate was almost 10 percent.

Commercial bank deposits are increasing at an annual rate of 11 percent, and those of the nonmonetary financial system by 14 percent, while lending to the private sector is expanding at an annual clip of 6.4 percent, according to the president.

He said that the Central Bank is forecasting an increase in the GDP of around two percent by year end.

The president gave the following economic data as well. The \$71.3 million drop in the trade balance deficit was largely due to an \$81.2 million rise in exports of goods (19.2 percent), alongside a rise in imports of just \$10.5 million (1.7 percent). The hope is that the current account will close the year with a deficit of around \$400 million, which would be similar to the 1983 shortfall, due mainly to higher interest on the debt. Gross international reserves will drop by only \$20 million, and they might even increase as a result of expected disbursements by foreign governments. The level of commercial backlogs will hold steady.

8743

CSO: 3248/769

DOMINICAN REPUBLIC

1985 BUDGET TO REACH DR\$1.4 BILLION

FL131758 Santo Domingo LISTIN DIARIO in English 5 Sep 84 p 1

[Article by Maximo Ml. Perez]

[Excerpt] Technical Secretary of the Presidency Orlando Haza del Castillo announced yesterday that the 1985 national budget will reach approximately DR\$1.4 billion. He explained that the president of the republic had ordered state institutions, including decentralized institutions, to keep their operating expenses in 1985 at a level similar to that of 1984; however, he emphasized that inflation will increase the new national budget by 10 percent in comparison with 1984.

"We are beginning to ask all organizations for information for the budget and they are being ordered to maintain the present level of expenditures; that is, they are not to request funds for operating expenses greater than the amounts contained in this year's budget, Haza said.

He said that, with regard to investments, "we are indicating that projects that have already been started have first priority so work will continue on those that have already begun.

With regard to new projects, the official said they must "meet strictly the list of priorities contained in the investment plan as reformulated last April, [which states that] the new investment projects formulated for 1985 must be the most productive."

CSO: 3248/791

DOMINICAN REPUBLIC

BRIEFS

FMLN COLLABORATOR RETURNS--The Dominican Embassy in El Salvador has arranged for a Dominican physician to return home. He sought protection after having collaborated with Salvadoran guerrillas for a year and a half. According to a communique released yesterday by the Foreign Relations Secretariat, Hector Jose Reynoso Duran sought protection on the 15th of this month at the Dominican Embassy. This newspaper learned that the 29-year old Duran, a physician, entered El Salvador early last year and immediately joined the ranks of the Farabundo Marti National Liberation Front. He entered the grounds of the Dominican Embassy in a vehicle 8 days ago and after identifying himself as a Dominican citizen, explained his case in detail to Ambassador Alberto Despradel, the head of the diplomatic mission. The Dominican Foreign Secretariat yesterday issued the following communique in connection with the case: "The Secretariat of State of Foreign Relations hereby reports that Dominican citizen Hector Jose Reynoso Duran has returned to Santo Domingo in the company of the Dominican ambassador to El Salvador, Alberto Despradel, and has been turned over to his family. Mr Reynoso Duran, a physician by profession, had been collaborating with the Farabundo Marti National Liberation Front of El Salvador and on the 15th of this month requested protection at the Embassy of the Dominican Republic in El Salvador. Inasmuch as he is a Dominican citizen, he was granted the protection, and subsequently, in conformance with the principles of international law, the authorization of the Salvadoran Government was obtained for his return to the Dominican Republic." [Text] [Santo Domingo LISTIN DIARIO in Spanish 23 Aug 84 p 9] 8743

GROUP DEPARTS FOR SOVIET UNIVERSITIES--A group of Dominicans has left for Moscow to take university courses in the Soviet Union. They are: Rafael Oviedo Alcantara, resident of the Buena Vista neighborhood; Miguel Antonio Miolan Badia, resident of the Mendoza highway; Samuel David Herrera Adames, resident of Las Minas; Jose Armando Ramon Miolan Badia, resident of Alma Rosa; Miran Altagracia Mones Almonte, resident of Las Palmas; Angela Cabrera Abreu, resident of the Simon Bolivar neighborhood; and Juan Nova Inoa, resident of Alma Rosa. [Text] [FL121550 Santo Domingo LISTIN DIARIO in Spanish 6 Sep 84 p 6 FL]

CHURCH LEADERS CALL FOR TOLERANCE DURING ELECTIONS

Port-of-Spain SUNDAY GUARDIAN in English 26 Aug 84 p 1

[Text] THE Heads of four Churches that comprise the Conference of Churches in Grenada have written an open letter to the electorate of Grenada in which they have called for tolerance, hope, love, kindness and trust in preparation for the upcoming elections on the island.

The letter, published in today's issue of the "Catholic News," is signed by Bishop Sydney Charles of the Roman Catholic Church; Rev. Phillip Ponce, Superintendent Minister of the Methodist Church; Canon Leopold Baynes, Administrator of the Anglican Church, and Miss Rosemary Charles, Presiding Elder of the Presbyterian Church.

In their letter the four church heads said they were aware of the current smear campaign, and strongly deplored it in the interest of peace in Grenada. Such a campaign they pointed out, promotes fear and cripples initiative.

"What we need in our country today," the church leaders told Grenadians, "is the practice of the virtues of tolerance, trust, hope, love and kindness. We are a Christian people. We must behave like Christians," they added.

They also told Grenadians that the upcoming elections provided them with a splendid opportunity to teach the world that a country that has been torn by so many evils can forgive and forget the past and together join in building a nation for God, under God, with God and in God, for the glory of God and the true development of his people."

They also warned the electorate that whatever they sowed, their children will reap. And added: "We owe it to them to build a bright future, where they too, will be inspired and encouraged by our contribution, to build in turn, a future for their children."

Crossroads

"People of Grenada," the leaders wrote, "we are at the crossroads. Let us pray for disconcertment and a disconcerting heart, like the wise Solomon of the Bible, so that we may think, speak and act wisely.

"Let us pray for our present leaders, who have undertaken, at great sacrifice, to govern our country as an interim measure, pending the election of a new Government.

"Let us pray for our electorate, for the wise and conscientious exercise of the right to vote. Let us pray for our future leaders, that they may be the ones whom God wishes to use as His instruments to lead us, through justice, love, truth, and freedom, to a true and lasting peace in this dear land of ours, a land given to us by Almighty God," they added.

CSO: 3298/1086

GOVERNMENT OUTLINES PROGRAM TO BOOST COCOA INDUSTRY

Port-of-Spain TRINIDAD GUARDIAN in English 4 Sep 84 p 4

[Text] ST. GEORGE'S, Mon; (Cana): Grenada's Interim Government has expressed concern over the operations of its pest and disease control programme for the cocoa industry following a recent evaluation of the project.

According to the interim government member responsible for agriculture, Arnold Cruickshank, the programme has not been operating as the government would have liked and steps will be taken to rectify the problems.

Addressing farmers at a meeting in the rural area of St. John's, Cruickshank said the nine-month old administration is looking at ways of improving the operations of the scheme so that farmers will be able to get better services.

He also said that based on the results of the evaluation it was felt Grenada had lost a "golden opportunity" to bring about an inter-relationship between the rehabilitation of cocoa and bananas through a Canadian-founded programme.

The programme will spend up to \$20 million to help the island rehabilitate over 20,000 cocoa trees and provide essential inputs, such as fertilisers, to the industry.

Cruickshank said Grenada had an opportunity because the cocoa rehabilitation to push for an integrated scheme involving the two commodities at the same time but "we missed the boat.

"If you don't have banana shades you can't grow cocoa," he added.

In this connection, the interim government member stated that the administration was at present holding discussions with Canada to see how "we can amend the scheme to introduce banana rehabilitation because of the agronomy of growing the two crops."

He also disclosed that the government had resumed work on its farm road programme in the rural areas of the country which was halted a few months ago because of lack of funds.

Since the project was reactivated some 60 miles of farm roads have been repaired throughout the island providing employment for over 800 persons and access to 1,330 acres of farm lands in the country.

Cruickshank also spoke of the government appointing a livestock officer to encourage farmers to get back into the industry, as well as creating a new post of project co-ordinator in agriculture.

This project co-ordinator, he said, would be responsible for implementing and monitoring some new projects expected to come on stream shortly.

He also said that the government had been able to attract funding from Barclays Bank International for the hiring of a consultant to provide "on the ground training for its extension staff in the agriculture sector.

"Those persons who have not had formal training in extension technology and methods and so on can get this training so that the quality of service which they bring to you as farmers would be a better service than existed in the past."

CSO: 3298/1086

NICARAGUA

BUSINESS LICENSES SUBJECT TO CDS APPROVAL

Managua EL NUEVO DIARIO in Spanish 25 Aug 84 p 12

[Excerpts] In keeping with our mixed economy, we do not seek to eliminate merchants, but rather to work with them under the provisions of the Consumer Protection Law, Marvin Gadea, the director general of business regulation of MICOIN [Ministry of Domestic Trade], asserted at a press conference yesterday.

He was responding to the reactionaries and their spokesman, who criticized the Consumer Protection Law and claimed that MICOIN is seeking to eliminate private business.

Gadea stated that his office, through the business licenses it issues, seeks to establish a commercial network "that will work with us to make basic items available to consumers, who are still being exploited by profiteers and unscrupulous wholesalers and merchants."

Role of the CDS's [Sandinist Defense Committees]

The merchants belonging to this network have to be endorsed by the CDS's, which must attest to their being honest and reliable individuals, the director said.

Once we have the endorsement of the CDS's, we are going to lend to the merchants, and to this end we are already making contact with the National Development Bank, he said.

With this endorsement we are also going to issue them their respective business licenses, Marvin Gadea added.

As of now we have some 6,000 retail outlets nationwide, some 1,500 in Managua alone, through which we distribute basic items, he indicated.

With these outlets and others that will be added as needed, Gadea went on to say, we are going to establish cooperatives in the sectors and areas that we have to attend to.

Law Making Itself Felt

Gadea asserted that unscrupulous merchants are now feeling the impact of the Consumer Protection Law in the form of fines and seizures, which is why they are complaining and talking like reactionaries.

Our goal is not to do away with merchants, however, he noted; they should operate legally and serve the people, in addition to making a profit.

"The fact is that we allow the merchants with whom we are working a profit margin of between 12 and 15 percent on the items that we control," the director general of business regulation said.

To conclude the press conference, Gadea focused on the new relationship that is being established with the "hawkers" [buhoneros] so that they can import items that the Nicaraguan people need.

The government is going to work with them under a mixed economy, to which end we have already met with Customs and Central Bank representatives, he reported.

We have also had fruitful sessions with the hawkers, and it has been made clear that they are going to be able to import miscellaneous items that the government will buy from them through CORCOMA.

Gadea clarified that the government would buy only half of the items and that the hawkers would market the rest with their customers.

He disclosed that there are 1,707 registered hawkers, to whom the Central Bank guarantees \$1,500 a month each for their operations.

Nevertheless, he said, we are going to expand the network of retailers so that they too can work in this branch; in other words, they are going to be issued business licenses.

Under this arrangement, he explained, the idea is to work as a group, depending on the items to be imported; moreover, some of them will be allowed to continue importing the items that they have been.

We are continuing with the talks and we feel that we will soon have everything well established, Gadea said in conclusion.

8743

CSO: 3248/773

NICARAGUA

CARDBOARD FACTORY WILL MORE THAN MEET DEMAND

Managua EL NUEVO DIARIO in Spanish 25 Aug 84 p 12

[Article: "CARTONICA Factory Will Save Foreign Exchange"]

[Text] Leon--The Revolutionary Government is investing 552 million cordobas to build the CARTONICA [Nicaraguan Cardboard Factory] enterprise, which will produce exclusively cardboard boxes for seafood, soap, meat and cookies.

The project is owned by the People's Industrial Corporation (COIP) and is being built under contract by the Construction Ministry (MICONs) and Metals and Structures, Inc (METASA). The factory alone will cover 16,000 square meters and cost 66 million cordobas.

Pedro Conrado, the engineer who is the project director for MICONs, said that work began on 1 November of last year and is expected to be completed by late January 1985, when the plant will begin to produce if there are no problems with the machinery.

He indicated that the project is being built by the ENE [Nicaraguan Construction Enterprise], which is attached to MICONs, adding that it is the largest project that the ministry has ever undertaken; it employs 190 workers, all locals and members of SCAAS [Trade Union of Carpenters, Fitters, Masons and Related Trades Workers].

Conrado added that there have been problems with the machinery, due to a lack of spare parts and skilled labor, mainly carpenters, and with domestic supplies such as cement and lumber.

The managing director of the project, Erick Morales, representing COIP, said that CARTONICA is being built with funding from the National Financial System and with a 66.6-million franc line of credit from the French Government, repayable in 17 years with a 3-year grace period.

He added that the project is under construction, "and we hope that in October the machinery can be installed with the technical assistance of French and Cuban internationalists; this will take more or less 6 months."

He also said that the enterprise will initially meet domestic demand, "although its production capacity will outstrip demand because it will be employing advanced technology compared to the other countries of Central America."

Morales indicated that in the medium and long term the idea is to export cardboard to the Central American market, "but we have to bear in mind the transportation costs, which are very high right now."

He indicated that domestic demand totals 13 million boxes, which the plant will exceed by 1985, "because production is expected to hit 16 million by then, which will enable us to have the item in stock at all times."

He asserted that when the plant begins producing, the Revolutionary Government is going to save \$10 million a year, because this is how much is being spent to import boxes from countries such as Guatemala, El Salvador, Costa Rica and Cuba.

He said that the raw material would be coming from Sweden, the United States and the German Democratic Republic. He indicated that these countries would specifically be selling us kraft paper and "medium," which is the corrugated material that lines the inside of the boxes.

In conclusion, he said that the factory would initially manufacture boxes for products such as bananas, seafood and meat, which bring in foreign exchange.

8743

CSO: 3248/773

NICARAGUA

BRIEFS

ITALIAN TECHNICAL ADVISERS--The Lay Movement for Latin America (MLAL), which is headquartered in Italy, will contribute more than \$700,000 to the Nicaraguan people under a technical cooperation agreement that was signed yesterday with the International Reconstruction Fund (FIR). Amedeo Piva, the president of the MLAL, and Pedro Antonio Blandon, the president of the FIR, signed the agreement yesterday at the opening of the First Convention of European Lay Volunteers working in Latin America. Under the agreement, progressive housing will be built in the town of El Realejo, where hundreds of families who were hit every year by flooding in the port of Corinto are being relocated. Piva emphasized that this is the first time that the MLAL has signed an agreement like this for Latin America. The movement had never before signed agreements with Latin American government agencies that would guarantee that the cooperation achieved its objective. In this regard, Pedro Antonio Blandon stated that "because the Revolutionary Government has a grassroots origin, it is channeling its efforts towards the people to lift them up from poverty." The European lay volunteers have been working in Nicaragua for 4 years, providing advisory services in the fields of culture, education and health care. The seminar that they are now holding is designed to assess the accomplishments of the revolution in these fields. After explaining that people in Europe are misinformed about Nicaragua, Amedeo Piva said that we volunteers "want to compile and convey accurate information."

Excerpt, [Managua EL NUEVO DIARIO in Spanish 29 Aug 84 p 8] 8743

CSO: 3248/773

BARRANTES COMMENTS ON HUAMAN, DIALOGUE WITH SENDERISTS

Lima EL DIARIO DE MARKA in Spanish 30 Aug 84 p 2

[Text] The mayor of Lima, Alfonso Barrantes Lingán, said yesterday that if the removal of General Huaman were connected with the statements he made on the situation in Ayacucho, then "this would mean that decisions are beginning to be made that are contrary to freedom of expression." However, he said, "it is preferable to be cautious in analyzing the situation and not engage in speculation that would cause misunderstandings in the institutions."

Barrantes was questioned by the press at the close of the ceremony marking the unveiling of a statue of Santa Rosa de Lima at the COMAIN [expansion unknown], as part of the celebrations commemorating the 111th anniversary of the Civil Guard, whose Youth Welfare Center operates at that headquarters. The mayor of the capital was extremely cautious in handling the problem posed by the removal of Gen Adrian Huaman Centeno from the leadership of the political-military command of the emergency sub-zone of the central mountains. "Based on what newsmen were told, it is not a removal, but rather, a replacement, which means his transfer from one post to another."

In the face of continued pressure from reporters asking for his interpretation of the events as president of the United Left, the mayor said first of all that the country now requires calm instead of "more fuel added to the fire."

He stated that not enough elements yet existed to give a pronouncement. One newsman asked whether Huaman's change meant a hardening of the militarist position in the fight against terrorism. "The change has already come about. General Huaman asked for an economic and social rather than solely repressive solution to terrorism. What is your analysis of the situation, Mr Minister?" the reporter asked.

With his customary calm, Barrantes responded without yielding an inch: "I prefer to wait for more information and only then will I issue a statement. What I can say is that the opinions expressed by General Huaman coincide with many of those we have ourselves expressed and the truth must be respected, especially when it has to do with causes so profound that they would explain the advent of the terrorist phenomenon that we would all like to see ended."

He then reiterated the agreement of some of the proposals made by General Huaman with those of the United Left regarding the manner of confronting terrorism and its origins, although he ruled out the possibility that that public position taken by Huaman would have motivated his transfer. "I do not believe that his removal resulted from his saying the truth. Perhaps there were other reasons with which we are not acquainted."

Dialogue With Sendero

Concerning the proposal of the presidential candidate of the Christian People's Party, Luis Bedoya Reyes, that a dialogue be instituted with Sendero Luminoso, Barrantes said that that would be the most civilized manner of comparing diverging views, but he pointed out the difficulty of a talk with the group insofar as its positions make it utopian.

"We would have to wait for Sendero to become rational and for them to be able to sit down at a table with the representatives of organizations or persons with the moral authority to do so."

He recalled that when the former attorney general of the nation, Miguel Cavero Egusquiza, proposed a dialogue with Sendero, "there were at that time a lot of people who nearly went berserk at the idea."

The mayor categorically denied that the United Left could take the first step toward a dialogue with Sendero. "They do not like us and when two persons do not like one another, dialogue is impossible. The first step would have to be taken by those who suffer less odiousness with respect to that group than we do."

He further said that he has information on early action in the organization of a peace commission made up of very respectable persons. It should then have the support of all politicians so that it may be set up as soon as possible. However, he noted, "it must not be contaminated by the government's desistance or partisan inclusion such as ours."

11,464

CSO: 3348/559

BRIEFS

DEBT PAYMENT DOMINATES BUDGET--The nation's general budget for 1985 allocates 38.9 percent of the total sum to pay the foreign debt, Minister of Economy Jose Benavides revealed yesterday. Capital charges will absorb 16.1 percent and regular spending the remaining 45 percent. As we learned yesterday, the national budget amounts to nearly 26 billion sols (exactly 25,981,500,000) and part of the amount will be financed to the extent of 3 billion sols by the sale of certain public enterprises. In referring to the increase for next year, Benavides said that it will be "moderate," 4 percent of the GNP (gross national product), based on "the tangible manifestations of the improvement in the country's economic and financial conditions." Speaking of the source of revenue made up of tax income, he said it would be extremely small. Taxes covered 13.9 percent of this fiscal year, but that amount will be increased to 17.4 in 1985. Benavides noted that the IMF, which sent an advisory group to revise tax mechanisms, found the methods in a process of marked improvement, despite the fact that the economically active population is the sector that contributes the least. [Text] [Lima EL COMERCIO in Spanish 25 Aug 84 p A-1] 11,464

PUBLIC INVESTMENT FIGURES ANNOUNCED--Nearly 5 billion sols, 8.6 percent of the gross national product in 1984, will be invested by the government and national enterprises in various projects this year. The Central Government hopes to spend 1.79 billion sols, while national enterprises will invest 2,871,000,000 sols. Another 232 million will be used on projects of lesser importance. Of the 4,893,000,000, 3,153,000,000 sols will be used during the second half of the year -- that is, between July and December, according to the schedule. During the first quarter of this year, investments exceeded 666,000,000 sols. Given the lack of resources, the Executive Branch has decided to reduce the amount of investments by some 400 million sols, while continuing the rate of execution. In our economic section, we are publishing the details of public investments made during the first quarter. [Text] [Lima EL COMERCIO in Spanish 24 Aug 84 p A-1] 11,464

ARMY TO CONTROL LIMA--The Council of Ministers has approved a supreme decree authorizing the Armed Forces to take control of the city of Lima in order to prevent acts of violence and violations of the law and constitution. In making the announcement, Minister of Interior Luis Percovich said that the decision was made because of the persistence of various groups and political parties in carrying out a march yesterday, as well as intelligence reports regarding the intent to disturb the public order. The pertinent legal provisions

were set forth in order to guarantee peace and tranquillity. The government will set the duration of the participation of the Armed Forces based on its evaluation of the events, but the number of troops to be used will be decided by the Joint Command, he said. The minister specified that the measure does not mean that the city will be militarized. "It will be a sufficient presence to dissuade those trying to engage in acts disturbing public life." Percovich added that officials of the Catholic Church told him that its words had been twisted and used to support the so-called march for peace and justice. The religious spokesmen pointed out the possibility that the summons might give rise to violent acts. [Text] [Lima EL COMERCIO in Spanish 25 Aug 84 p A-1] 11,464

CSO: 3348/559

COMPTON COMMENTS ON SECURITY, OPPOSITION MAKES OBJECTIONS

Remarks in Antigua

Castries THE WEEKEND VOICE in English 2 Jun 84 p 1

[Text] St John's, Antigua--St. Lucia's Prime Minister, John Compton, has ruled out the possibility of leftist groups assuming power in the Commonwealth Caribbean again by force.

Compton made the statement during a brief stop in Antigua en route to an Organisation of Eastern Caribbean States, (OECS) Heads of Government summit which opened in Montserrat Thursday.

He said "the setting up of a regional security force is really the Caribbean telling people that we are accustomed to a certain type of government and we are determined to preserve it. "We are going to hang a sign around the region--beware of the dogs--so people like mercenaries cannot come in and threaten us or people from inside cannot seize power by organising a group of 30 or 40 men with guns," the St. Lucia Prime Minister said.

He continued: "That's the lesson of Grenada. There is no way in the Caribbean again for the man with the gun."

In October last year, an internal leadership struggle developed in the leftist Maurice Bishop regime in Grenada which resulted in a bloody military coup by a more radical faction.

U.S.-led troops invaded Grenada to topple the Military Government. Eastern Caribbean governments then pushed forward plans for a joint army to protect themselves against revolution or external aggression.

Compton said that political activists in the Caribbean must learn to draft their policies and programmes and sell it to the people who will either elect or reject them.

He added that since the invasion of Grenada, the Caribbean has been a more peaceful place and the talk of revolution is not heard of anymore.

Looking ahead at the July Caribbean Community (CARICOM) Heads of Government conference in the Bahamas, Compton said the main thing will be to restore the base of an industrialised Caribbean for the survival of CARICOM.

"The trade problems has left the OECS as the only coordinated organisation in CARICOM to sit down and work out an industrial development strategy for us to explore extra-regional markets," Compton said.

He referred to the new import licencing system introduced by Trinidad and Tobago and said it was killing the fundamental concept of CARICOM as a free trade area." (CANA)

PLP Organ on 'Intimidation'

Castries CRUSADER in English 11 Aug 84 p 2

[Editorial: "The Ugly Face of Compton's Militarism"]

[Text]

The man who packaged himself for electoral purposes as an angel of peace is now a merchant of war. The Prime Minister who appeared to abhor guns and violence during his recent election campaigns has now brought the fearsome machinery of combat and destruction into our erstwhile peaceful state. The Prime Minister who criticised Maurice Bishop for introducing guns and militarism into Grenada has militarised his Police Force, brought in American trainers to turn our British-bobby type policemen into horrible "dogs of war" straining at the leash with sub-machine guns to intimidate and terrorise the people of St. Lucia.

This volte-face, this turn-around must not escape the people of St. Lucia. It is now common currency to find the Prime Minister of St. Lucia saying one thing and doing another. We have even come to accept this as part of the nature and behaviour of the man. St. Lucians have reacted to this trait with such cynicism and quiet acceptance that they are even prepared to extend these traits to all politicians and leaders. But we must be careful

as to how much acceptance and understanding we are prepared to extend to fundamental things in our society, because it is easy for the gentle erosion of our mores and our rights to escalate into a terribly repressive system.

In St. Lucia we are accustomed to the notion of our Policemen being "friends of the Community". They are traditionally seen by adults and children alike as peaceful law-abiding guardians of the peace who would prevent any trouble or crime and apprehend any guilty criminals who have broken the law - or at least appear to do so. We never saw them as the American Trainers of the 82nd Battalion saw them. We never wanted to see them as howling animals chanting war-cries in training around the streets of St. Lucia. We never wanted to envisage them with their black faces greased and painted with camouflage grease and learning to master the techniques of rapid fire with dangerous automatic weapons that trained sharp-shooters find it difficult to control. St. Lucians resent Mr. Compton's military-style Policeman. They take umbrage at the sight of huge green Military-trucks rigged out like CAGLES filled with menacing-looking military men totting automatic weapons and prowling our streets or attending special occasions like public marches or meetings. If the intention is to strike fear into our citizens then it will be successful for a short spell but this very fear can curdle into the most vicious forms of retaliation both against the policemen themselves and against the politicians and leaders who have introduced this style of policing.

This week there is a man lying in hospital who owed a sum of money to the courts as a result of a court fine. He was unable to pay the money and the Police went in search of him to arrest him for the non-payment of the fine.

He almost instinctively tried to run from the Police and the Police shot him. This is the subtle change that Mr. Compton has brought about in our "modus-operandi". The Policemen St. Lucians are accustomed to would not shoot. They would use other methods to apprehend him. They would only shoot if the person was armed and threatened the policeman's life in some way. There are many instances of the Police casually shooting St. Lucians in their backs and in their legs. In one instance during a stealing incident at Coubaril it was alleged that one boy was taken into the house and shot many times. Some St. Lucians have been shot by the Police "in error" when the Police claim to have mistaken the persons for some other criminals.

The Policemen now claim to have the full endorsement of the Prime Minister for their acts of murder and wanton killing. One Policeman actually bragged that "Now we can shoot and don't have to explain to anybody." Every citizen of our State should be alarmed at this attitude and should appreciate the full implications of such a carte-blanche license to kill.

Only this week a Public March was held in Vieux Fort and the March received the belated and grudging permission of the Police. The route of the March was changed to exclude the town of Vieux Fort in an effort to keep the Marchers away from any centre of population. The Police restricted the marchers to the public high-way alone. It must be clearly understood that there was absolutely no threat to the public peace in that there were no public meetings prior to the march. There have been no public statements threatening

violence. There had been no mobilisational efforts that might cause the Police to calculate the possibility of a disturbance of the public peace. In London, New York, the Phillipines, Cuba and all cities of the world there are public expressions of protest in the very heart of the city. Mr. Compton himself has conducted marches in the very centre of Castries and today he has instructed the Police to refuse permission to march in areas where there are centres of population.

As if this device for frustrating marches and public protest is not enough the Police embarked on a conscious campaign of intimidation by parading the huge "Green Cage" full of soldier-policemen all around the town of Vieux Fort and policemen were actually warning the people of Vieux Fort not to participate in the March since there would be trouble. This is not the duty of our Police Force. Neither the Police Commissioner nor his frightening sharp-shooters have any business interfering with mobilisation process of public marches. It is not their duty to encourage people to march or to discourage them from marching. Their duty is simply to supervise the march to ensure that there are no breaches of the peace. It is certainly not their duty to devise strategies to contain or frustrate public marches. It is unfortunate that the insecurity of tenure of office of the Commissioner of Police, given

the challenge presented by another nominee, robs him of the fierce independence necessary to resist the direct political directives of the Prime Minister. It is sad that the conventions and propriety our Police Force must suffer because of the ugly face of Mr. Compton's militarism and the self-protective submission of our Top Cop.

Compton's 'Obsession'

Castries CRUSADER in English 11 Aug 84 p 4

[Text] The increasingly strident statements which the Prime Minister, Mr John Compton, is making about the security of St. Lucia must be viewed seriously by everyone living in this country. Mr Compton is displaying a hysteria towards this topic which is beginning to reek of obsession. Such a state of mind can point to a deterioration of a person's mental abilities and end up as a total paranoia.

In a recent interview the Prime Minister expressed his frustration with other CARICOM countries. He indicated that these other states in the region, were not prepared to give the question of "Security" the same intensity of interest that "we in the OECS" are giving it. What the Prime Minister is displaying, with such a news release, is an annoyance that other countries in the CARICOM group are not going to subscribe to his visions of coups, external threats and the need to turn the Lesser Antilles into an Armed Camp. A normal person, in a situation such as this would spend a little time to consider the reluctance of other leaders, and judge the merits of their arguments. Mr. Compton however, can display no such diplomatic finesse, his dream of becoming Commander in Chief is causing him to brush aside objectors to his plans, whoever they might be, and continue Bullheaded along his maniac path.

This narrowmindedness, which the Prime Minister is showing, is illogical in its expectations. Why should countries like Guyana and Trinidad, for example, who have their own pressing economic problems coupled with trying to provide for the aspirations of their own people, get themselves involved in supporting Mr Compton's greed for guns? Similarly one wonders if the newly elected government in St. Vincent will go headlong after this Military Madness, particularly when the new Prime Minister, Mr. James Mitchell, made determined statements before the election that he is against the increasing militarisation of the islands. Mr. Compton's obsession must also be seen in stark contrast with the new government in Antigua. Mr. Lester Bird is continually overseas trying to promote interest and investment in his country, and he is not peppering his statements with remarks about how unstable the region is, or the threats from outside forces.

The most serious immediate consequence of the Prime Minister's obsession, is that he is supposed to be the Minister of Finance for St. Lucia, and that this area of his responsibility is being allowed to suffer at the expense of his military dreams. While he is concentrating on becoming the champion for regional security the economy of this country is falling to pieces around him. To be focusing on guns when, hotels are closing, businesses are going bankrupt and thousands are unemployed is a blatant act of irresponsibility. The sickening twist to the Prime Minister's actions is that due to his inadequacy in handling our financial affairs, frustration and discontent are rapidly rising forces in

many sections of the society. If the Prime Minister had any foresight at all he would realise that he is steering us to the point when he will be ordering the guns out to shoot our own people as they try to protest the abysmal conditions in which they are being forced to live. If such a situation does arise then the responsibility any injuries will lie with the Prime Minister alone.

Clear evidence of this fearful situation was abundant last Sunday in Vieux Fort when a joint action Opposition Group organised a protest march based on the state of unemployment in St. Lucia.

The menacing presence of a fully equipped military truck hovering around town and surrounding areas of Vieux Fort, and advertising their iron mongery and war-mongers, to frighten the participants of the Protest March, had the desired effect, as many Vieux Fort people, especially the women, stated clearly that they had been fore-warned "not to join the march or they may get shot.

Such acts of terrorism, taking place in a peaceful island like St. Lucia is a reflection of Compton's weakness and state of frenzy. Added to this horrendous scene is the fact that a number of greenhorn, police-soldiers of tender ages have been given employment and hastily trained to kill. These freshettes, like boys with toys in their hands are looking eager for a chance to put their learning into live practice, and the joy of feeling like a big-boy, may over power the fragile family ties between them and their kin in the crowd. However, one is given courage in the historical facts that very often the hired guns eventually turn the guns to their Hirer.

CSO: 3298/1108

HOMES, MINISTRY, VEHICLES DESTROYED IN RASH OF FIRES

Current Situation

Castries THE VOICE in English 18 Jul 84 p 2

[Article by David Vitalis]

[Text] FIRES have caused just under a half million dollars worth of damages between January and now the Fire Service disclosed Monday. And this "conservative" estimate represents the cost of havoc inflicted by fires to both dwelling houses and motor vehicles, according to Harold Gill, Divisional Officer attached to the Northern section of the island.

He told THE VOICE that to date a total of 16 dwelling houses and one restaurant had gone up in smoke resulting in losses of over a quarter million dollars.

The remainder of the havoc was done to burning cars. Officer Gill revealed that at least 13 cars had been burnt. The value of the destruction was well over one hundred thousand dollars.

Gill said that it was a sorry state of affairs that so many dwelling houses had been burnt flat, but in all these cases the Fire Department had done all in its power to salvage something.

He explained that those houses and vehicles that were written-off were in full blaze even before his men arrived on the scene and said that this was due to extremely late calls being made only when occupants and residents noticed that the fires had gone out of control.

Officer Gill deplored the practice of informing the Fire Department as a last resort saying that it did only harm and no good. He agreed that it was

only natural for occupants and neighbours to combat a blaze in its initial stage but added that in the process of doing so and even before they did so, one of them should not hesitate to call in the trained and equipped firefighters of his department.

He echoed calls made by Fire Chief Primus Joseph Duplessis recently that residents and on lookers should not tamper with equipment and appliances belonging to the Fire Department while they are combating a fire.

Officer Gill pointed out that this did more harm than good because it obstructed firemen and hindered progress, and further members of the crowd present at these exciting scenes are not trained and are unable to handle the equipment properly.

Good preventive activities in the home and workplaces were the key to firefighting, Officer Gill urged.

Meanwhile, Police are investigating the cause of a fire which swept through a four-room house at Rockhall Friday. The fire, according to Fire-Department reports, left eight occupants homeless and an

estimated \$32,000 worth of damages before firefighters were able to control it.

Reports from the Fire Service also said that the wooden structure, belonging to McDonald Pamphile was already engulfed in flames when firemen arrived on the scene shortly after 3p.m. The blaze was quickly contained. It appeared that the occupants, save for a 14-year old girl who had been rescued by

neighbours before the blaze got out of control, were absent at the time.

In another fire report, Police say that a house at Maynard Hill, Castries was also razed last Friday.

The fire, of unknown origin, occurred around 2 p.m. the report said. It added that articles valued at \$10,000 were destroyed in the blaze. But the value of the house itself was not disclosed.

Blaze at Ministry

Castries THE VOICE in English 22 Aug 84 p 1

[Text]

TEMPORARY quarters are currently being sought to house the Ministry of Agriculture, Lands and Fisheries whose building on Manoel Street was extensively damaged by fire early Sunday morning.

Sources in the Ministry and the Fire Brigade could not give the estimate of the destruction in dollars and cents but said that the blaze completely razed four office chambers including the conference room, secretary's office and the veterinary division on the ground floor. The origin of the fire has up to now remained a mystery and police are still investigating. Permanent Secretary in the Ministry of Agriculture, John Henry told the VOICE the fire is believed to have started in the conference room and spread to other offices on the top floor leaving behind a trail of havoc to furniture, the roof and ceiling and documents. There was a great deal of smoke effects on the walls.

Henry said the extent of damage had made operations on the top floor impossible and normal work had to be halted. Throughout Monday staff members were searching through the rubble in an attempt to salvage documents and furniture.

The Fire Brigade said they received a call around 12.35 Sunday morning and arriving on the scene found the building clouded by smoke. They controlled the fire about six minutes later. They said that the heavy damage inside the building indicated that the blaze started over an hour before they were informed. Above, Chief Veterinary Officer Dr. Keith Scotland clears his department of water. At left, a senior Fire Officer takes a statement on the extent of the damages.

Meanwhile a dwelling house at Grand Riviere was gutted by flames around 1.00 Monday morning. The fire started as a result of a mosquito coil left unattended by the occupant who was not present at the time.

CSO: 3298/1108

OPPOSITION FORCES MARCH TO PROTEST UNEMPLOYMENT

Castries CRUSADER in English 14 Jul 84 p 1

[Text] The Opposition Forces are planning to take to the streets on August Monday to protest the Unemployment situation in St. Lucia and the massive lay-off of workers in all sectors of the State.

Sources close to the Parties indicate that a large Protest March is contemplated in which workers, unemployed youths and Party supporters will converge on Vieux Fort to express their displeasure at the Government's failure to provide jobs for the people of the state as promised at election-time.

In a letter to the Prime Minister the Leader of the Opposition, Neville Cenac, upbraided the Government for the massive lay-off of workers in the South of the island and called on the Government to follow the example of the Labour Government by going to the Polls now that it is

obvious that the Government has no answer to the problems of the State.

Hon. Cenac, in his letter to the Prime Minister said:

"The Government of the St. Lucia Labour Party has set the good example and examples are there to be followed. I am sure, I need urge you no further to take the people back to the polls. This is always the safest and less costly course".

Parliamentary Representative for South Castries, Jon Odum, said that August Monday is the 150th Anniversary of the Emancipation from Slavery and it is fitting for the workers of St. Lucia to march to "emancipate us from Unemployment".

Commenting on the proposed March Peter Josie of the Seamen and Waterfront Workers Union said, "Our workers have been at the receiving end of much victimisation in recent months and we must take to the streets to re-establish the dignity of St. Lucian Workers."

LABOR OPPOSITION REACTS TO HUNTE SLP LEADERSHIP

PLP Stand

Castries CRUSADER in English 1 Sep 84 p 8

[Text]

City businessman Julian Hunts who is not sure whether he is S.L.P.U.W.P., P.L.P., N.W.U. or W.R.M. has successfully bought his way through the leadership of the S.L.P. at a handing over party at the Corinth Junior Secondary School last Sunday. Hunts who in 1974 declined to run for elections on an S.L.P. ticket because of his family connections with John Compton, is today the crowning king of Labour and the S.L.P.* and a staunch enemy of John Compton.

Observers and invaders at the party on Sunday indicated that it was a fanfare of rum drinking, smoking and merry making; that the seven page speech prepared for Hunts by elements of a trade union and a so called Mandet-Leninist organisation, had to be reduced to four pages, because of the none attendance and the lack of interest displayed by the majority of the delegates, who were by then drowsy and restless because of the amount of alcohol consumed.

The Star which at one time was the symbol of the Vanguard of political thinking and guidance of the working class of this society, has today fallen among the corrupt corridors of the merchants who were prepared to scratch their pockets to pay for its light, which they hope will catapult them into political office, without a political base grounded in the struggles of the working

people.

This diabolical act of handing over that which was once cherished by the working class people of this country to a bunch of people who has not even seen the fire, far less, passing through it seven times, must be considered as a total betrayal of the very principles that George Charles and the stalwarts of Labour fought so hard to achieve.

Ironically the very persons who were honouring George Charles for his achievements and struggles in the labour movement were the very ones who were perpetrating this crime against the working class.

It is indeed a sad day for labour, and how labour suffers painfully; for the double standard, the lack of principle, the opportunism, the witch hunt and the fanfare which were all traits of U.W.P. style politics has crept in and taken root in the Labour movement.

The Star is indeed gone, and the Progressive Labour Party (P.L.P) must now put its house in order to lift the people of this country from the horrible pit of degradation that we have fallen into.

It is the heart that must now guide and direct the thinking of the people thus remaining the Vanguard party of the working class, ensuring the protection of their rights to employment, housing and education.

Butcher Comment

Castries CRUSADER in English 1 Sep 84 p 6

[Interview with Leroy Butcher, labor movement figure; name of interviewer, date and place not specified]

[Text] *Interviewer:*

Earlier you made mention of those people who were responsible for the formation of the Labour Party and asked the question whether Julian Hunte is more Labour than them?

In fact the mood among those real hard-core Labour Supporters and people in general is one of compromise and coming together of all the Labour force to fight Compton, the common enemy and what the United Workers Party represent. At the same time you have Julian Hunte vying for the leadership who is not sensitive to that feeling being expressed by the man on the street. What is your position on that and would you push for such a coming together?

BUTCHER:

I'll tell you straight what my position is on that. In any event it must happen. If the Labour Party does not find itself in that position then it would find itself sadly lacking in support from the people on the street, who are looking for a certain type of representation. I'll go further, if the leadership of that Party or the leadership aspirants of that Party insist on keeping divided the Labour support in this country, then serious questions must be posed as to whether they are doing that on behalf of outside Interest who would prefer not to see a monolithic group of people moving towards the question of Social Independence, Integrity, Integration, and Equality because what that does, it raises questions as to whether or not the System we have, imposed on us, which we have accepted because of the policies of the United Workers Party Government in their search for something desperate just to say that they have done something for the country.

They have integrated themselves into a movement when they decided to isolate and invade Grenada, and it is interesting to note that the same people who couldn't think of doing something to make Grenada's position more viable, are now calling for inclusion of Haiti into Caricom saying that if we leave them isolated they

would become worse than they are right now, a brutal government no less, and its a government that exist since time immemorial without the consent of its population and we are concerned about their well being. But to go even further, the 807 arrangement that we now have under the C.B.I. virtually ask us to destroy Caricom, an arrangement where we can't integrate with out Caribbean Brothers and sisters, in favour of a more lucrative and larger American Market so that we could produce Cheap Labour in a Partnership arrangement with Americans or American Companies, and they in turn guarantee us a market, but what we don't see down the road, or perhaps fail to see, in our headon rush to get to the lucrative bonanza, is that any government that steps outside the three defined boundaries of a set pattern in Washington will be cut off from this market and will find ourselves in a position where we are virtually back into slavery. If our St. Lucia Labour Party cannot understand that, this is the basis of a terrible emergence that must fight tooth and nail, so that we can in fact become independent irrespective of what the cost is, then, what is the point of this Leadership that we are talking about? Where are we heading?

INTERVIEWER:

In Antigua we had the opposition forces attempting to get together to fight the Bird Government and at the last minute it all fell apart.

However the coming together of opposition forces attempting to get together to fight Imperialism seems to be the trend throughout the Caribbean. Can you see the American Government after successfully preventing the P.L.P. from winning the last Elections of 1982 with Red Hearts and the Invasion of Grenada, continuing with its interference in the internal affairs of countries and do you believe that there are people who might be contributing consciously to such interference, here in St. Lucia?

Butcher:

It already exists, that is why we have the division that we have, and that is why it would appear that certain people would want to perpetuate it, and that is the point I wanted to make before. It is that we have virtually ceded our Independence for perhaps this appearance order and civility, so that we can have the goodwill of Foreign masters, and I wonder if we find ourselves with people who are in any shape or form contributing consciously or unconsciously to this position, whether we are not in fact serving the cause or the destruction or the assumption of Power, Control, Human Dignity, by the working people of this country totally and forever more.

Interviewer:

Finally is there something you would like to say to the Labour Supporters?

Butcher:

There was a time when the Labour Party was very clear on what it was all about and we had people like Grantley Adams, Chaddie Jagan, T.A. Marryshow crisscrossing the Caribbean and giving us some indication as to what side of the fence we were on and why. We have been warned by the late Dr. Eric Williams as to what to expect in terms of the re-colonisation of the Caribbean and as Labour People, if we are not very careful about the choices that are made, not only in terms of our Leadership but also in the Candidates we select, if we do not revert once more to our commitment to the philosophy of Independence for the ordinary man, upliftment for them, Opportunity, Equality, Integrity, Morality, then I fear that really the Labour Party will have already been dead and perhaps that the sounding by the Leader of the Opposition in the House of Assembly that in face the Labour Party IS DEAD, may very well be right. We would just have maintained the name. However, I do not believe that is the case. I believe that we have been side tracked; I believe that a number of elements based on getting votes and winning an Election, have in fact taken hold of the Party, not only right now, in fact

it has been so for a little while, and that has caused us a problem and we must now resort to a Commitment to all these Ideals outlined earlier, do the Public Education that would allow a population to understand why they must support this Labour Party and when that would have been done. I think all the questions of Leadership struggle and division and otherwise, would have fallen by the wayside because the People themselves would have become intelligent and informed enough to have made their own decision.

CS0: 3298/1109

ST LUCIA

COMPTON COMMENTS ON POLITICAL UNITY EFFORTS IN GRENADA

FL311452 Bridgetown in English 2237 GMT 30 Aug 84

[Excerpts] Castries, 30 Aug (CANA)--St Lucia's prime minister, John Compton, today said last Sunday's initiative to merge four Grenadian moderate parties was taken primarily to ensure that peace and stability is restored the Spice Isle. [as printed]

Compton along with Prime Ministers Tom Adams of Barbados and James Mitchell of St Vincent and the Grenadians were present at the meeting on Union Island when the leaders of the four groups agreed in principle to the merger.

Yesterday, agriculture minister in the ousted administration of slain Prime Minister Maurice Bishop, George Louison, accused the three prime ministers of "the most gross interference" in Grenada's internal affairs.

Asked for a reaction today by the Caribbean News Agency (CANA) to Louison's charge, Compton said: "As I see it, political leaders in the region are entitled to meet with their colleagues to see that peace and stability is restored to Grenada..."

Compton said he regards the charge by Louison as an insult. He also said the former agriculture minister was ungrateful. "He should be grateful that he can speak at all, grateful to the same leaders that he is accusing of being close to Washington," Compton said.

CSO: 3298/1109

BRIEFS

TOURIST ARRIVALS--The St Lucia Tourist Board has announced an 18-percent increase in tourist arrivals for the first six months of this year. The island has recorded a total of 93,406 arrivals as compared with 78,115 arrivals by air and sea for the same period last year. The United States proved to be the biggest market for the island for the past two years, with 13,073 passengers arriving from that country during the six months period compared with 9,437 during the same period last year. The United Kingdom follows the United States with 9,727 arrivals compared to 8,384 last year and Canada comes in third with 8,261 as against 6,890 in 1983. Statistics released by the Tourist Board indicate that there has been a percentage increase of 18.7 in arrivals here from last year. The island recorded 3,204 visitors from West Germany in 1984 as against 2,982 last year; 2,416 from the other European islands, a drop of 278 compared to 1983; 6,445 from other Caribbean islands compared to 6,236 last year; 2,537 from the French West Indies as against 798 last year; 882 from South America compared to 1,221 last year and 1,155 from all other destinations as against 681 in 1983. [Text] [Castries THE WEEKEND VOICE in English 4 Aug 84 p 1]

TAIWAN EMBASSY--An embassy of the Republic of China 'Taiwan' is soon to be established here. This has been disclosed by Charles Chao, Counseleor and charge d'affaires, who is already here to head the mission. At a press briefing earlier this week he announced that while he was still identifying premises to house the mission, he was already doing official business. Stressing that his major role in St Lucia was to promote good relations between the Republic of China and St Lucia, Mr Charles added 'we are coming here to establish an embassy to expedite cooperation between us.' He announced that a technical team of experts would be arriving here very soon to pass on some agricultural skills to local farmers. Mr Charles is married with three children, all working in the United States. A graduate of several U.S. universities, he has been in his country's diplomatic service for a number of years. Taiwan and St Lucia have been moving towards closer cooperation during the past two years. Prime Minister John Compton visited Taiwan this year. [Text] [Castries THE WEEKEND VOICE in English 11 Aug 84 p 1]

EIB LOANS TO BANK--The European Investment Bank, the European Community's Bank for long-term finance, has provided the equivalent of one million ECU's to help finance an increase in the share capital of the St Lucia Development Bank and to assist its promotion of small- and medium-scale investment projects in the industrial and tourism sectors. This was announced by the EEC Commission Delgate to the Eastern Caribbean, Mr Joannes Ter Haar. The funds are drawn from risk capital resources provided under the second Lome Convention between the EEC and ACP states and will be made available in the form of two condition loans: (a) 400,000 ECU's go to the government of St Lucia, for 25 years at a two-percent rate of interest, to enable it to increase the share capital of the St Lucia Development Bank (SLDB), from the present EC\$1.9 million to EC\$2.8 million; (b) 600,000 ECU's has been advanced to the St Lucia Development Bank (for 12 years at 7 percent) for on-leading in smaller amounts in support of investment by small and medium sized enterprises in the industrial, agro-industrial and tourism sectors in St Lucia. The St Lucia Development Bank, which is wholly owned by the state was established in 1981 with the principal aim of making long-term finance available for investments in agriculture, industry, agro-industry, tourism and housing. [Text] [Castries THE WEEKEND VOICE in English 7 Jul 84 p 1]

DEVELOPMENT BANK LOANS--Castries, 7 Sep (CANA)--The St Lucia Development Bank has approved 2.4 million dollars (one EC dollar ; 37 cents U.S.) in loans to develop tourism, manufacturing, housing, agriculture, and manpower training projects. The recent approval of 44 loans brought to 749 the amount of loans made to St Lucians over three years of the bank's operations, totalling 15.1 million dollars. Included in the recent loans were disbursements for two major tourism projects costing just over 1.5 million dollars, and a 70,000 dollar loan for an industrial enterprise. [Text] [FL072252 Bridgetown CANA in English 2158 GMT 7 Sep 84]

RELATIONS WITH VATICAN--The Vatican, 1 Sep (CANA-REUTER)--The Holy See and the eastern Caribbean island of St Lucia have decided to establish full diplomatic relations, a Vatican statement said today. The Vatican would set up an apostolic nunciature in St Lucia and the predominantly Catholic island would be represented at the Holy See by an embassy. [Text] [FL011941 Bridgetown CANA in English 1817 GMT 1 Sep 84]

TRADE SURVEY--The Statistical Department is moving into the second phase of its survey of the local distributive trade. This operation, which follows the just concluded pre-listing exercise, is designed to provide a more detailed account of activities in the distributive trade sector. Enumerators will be visiting a sample of the establishments which were enumerated in the pre-listing. Information on employment, value of purchases and sales and investment, will be sought. Managers and owners of wholesale and retail outlets are again reminded of the far-reaching importance of that exercise and are therefore urged to cooperate with the Statistics Department by providing the enumerators with the information required. The department has again given the assurance that all information collected will be treated with strict confidence. [Text] [Castries THE VOICE in English 15 Aug 84 p 1]

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DATE FILMED

9 Oct 1984